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GLASSWORKS OF CHILE

Form 6-K

October 20, 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 20, 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

NYSE: CGW  
Santiago: CRISTALES  
www.cristalchile.com

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Head of Investor Relations  
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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	6/30/2004
1.00.01.30	Type of Currency	Chilean Pesos
1.00.01.40	Type of Financial Statements	Individual

Independent Auditors' Report  
Referred to Interim Individual Financial Statements  
As of June 30, 2004

To the Shareholders and Directors of  
Cristalerias de Chile S.A.:

1. We have revised the general balance sheets of Cristalerias de Chile S.A. as of June 30, 2004 and 2003 and the corresponding statements of income and cash flows for the six months periods ended on those dates. These financial statements and their corresponding notes are the responsibility of Cristalerias de Chile S.A.'s management. The Ratio Analysis and Relevant Events attached are not part of these financial statements; therefore this report does not extend to them.
2. We have effected our revisions in accordance with audit norms established in Chile for a revision of interim financial information. A revision of interim financial information consists mainly in applying analytic revision procedures of the financial statements and effect inquiries to the responsible financial and accounting personnel. The extent of this revision is substantially lower than an audit effected according to generally accepted accounting principles in Chile, in which case the objective is to express an opinion on financial statements as a whole.

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Consequently, the interim financial statements as of June 30 2004 and 2003 have not been audited and, therefore, we are not in condition for expressing, nor we express an opinion.

3. The referred interim financial statements have been prepared to reflect the individual financial situation of Cristalerias de Chile S.A., based on criteria described in Note 2 b), prior to consolidation, line by line, of subsidiaries detailed in Note 14's financial statements. Consequently, for an adequate interpretation, these individual interim financial statements must be read and analyzed together with the consolidated interim financial statements of Cristalerias de Chile S.A. and subsidiaries, which are required by the generally accepted accountinbg principles in Chile. This report is presented solely to inform and be used by the Board and Management of Cristalerias de Chile S.A. and by the Chilean Securities and Insurance Commission (SVS).
4. Based on our revision of the interim financial statements as of June 30, 2004 and 2003, we have no knowledge of significant adjustments needed to be made to them in order for them to be in accordance with principles described in Note 2 b).

Ruben Lopez D.  
R.U.T.: 9.385.460-8

Ernst & Young Ltda.  
Auditors' R.U.T.: 77.802.430-6

Santiago, July 28 2004

### 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 : Individual

ASSETS	NOTE No.	06-30-04	06-30-03
5.11.00.00 TOTAL CURRENT ASSETS		108,300,902	103,800,000
5.11.10.10 Cash		1,471,566	1,800,000
5.11.10.20 Time deposits	41	5,004,267	10,400,000
5.11.10.30 Marketable securities (net)	4	59,615,681	58,700,000
5.11.10.40 Debtors from sales (net)	5	18,766,519	14,600,000
5.11.10.50 Documents receivable (net)	5	995,423	1,600,000
5.11.10.60 Sundry debtors (net)	5	828,330	600,000
5.11.10.70 Doc. & accts receivable related Co.	6	4,892,084	2,100,000
5.11.10.80 Inventories (net)	7	6,978,729	6,600,000
5.11.10.90 Recoverable taxes	8	1,126,358	1,200,000
5.11.20.10 Prepaid expenses		339,649	300,000
5.11.20.20 Deferred taxes	8	843,755	300,000
5.11.20.30 Other current assets	10-11	7,438,541	4,900,000
5.11.20.40 Leasing contracts (net)		0	
5.11.20.50 Leasing assets (net)		0	
5.12.00.00 TOTAL FIXED ASSETS		75,449,358	80,600,000
5.12.10.00 Land	12	1,514,725	1,500,000
5.12.20.00 High rises & infrastructure	12	23,286,000	22,500,000
5.12.30.00 Machinery & equipment	12	105,768,357	102,700,000

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	5.12.40.00	Other fixed assets	12	8,515,021	6,9
	5.12.50.00	Positive goodwill from technical revaluation of fixed assets	12	6,659,823	7,7
	5.12.60.00	Depreciation (minus)	12	(70,294,568)	(60,9
5.13.00.00		TOTAL OTHER ASSETS		181,194,501	182,0
	5.13.10.10	Investment in related companies	14	145,666,038	144,9
	5.13.10.20	Investment in other companies		0	
	5.13.10.30	Negative goodwill	16	1,821,374	1,9
	5.13.10.40	Positive goodwill (minus)		0	
	5.13.10.50	Long-term debtors	5	119,106	1
	5.13.10.60	Doc. & accts receivable related Co.	6	22,007,684	21,9
	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	11,580,299	12,9
	5.13.20.10	Long-term leasing contracts (net)		0	
5.10.00		TOTAL ASSETS		364,944,761	366,5

LIABILITIES

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

	LIABILITIES		NOTE No.	06-30-04	06-3
5.21.00.00		TOTAL CURRENT LIABILITIES		18,639,661	20,2
	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	139,500	1
	5.21.10.30	Obligations with the public (notes)		0	
	5.21.20.40	Short-term portion oblig with public		1,688,964	1,6
	5.21.10.50	Long-term oblig. due within 1 year		0	
	5.21.10.60	Dividends payable		651,595	5
	5.21.10.70	Accounts payable		2,251,469	3,4
	5.21.10.80	Notes payable		2,580,225	3,3
	5.21.10.90	Sundry creditors		835,577	1,0
	5.21.20.10	Notes & accts payable related Co.	6	941,564	6
	5.21.20.20	Provisions	23	7,170,405	4,1
	5.21.20.30	Withholdings		661,448	3
	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	1,718,914	4,9
5.22.00.00		TOTAL LONG-TERM LIABILITIES		110,912,860	115,2
	5.22.10.00	Oblig with Banks & Financial Inst.	21	31,815,000	35,1

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5.22.20.00	Long-term oblig with public (bonds)		69,761,295	69,9
5.22.30.00	Long-term notes payable		0	
5.22.40.00	Long-term sundry debtors		162,254	1
5.22.50.00	Long-term notes & accts. payable	6	0	
	related companies			
5.22.60.00	Long-term provisions	23	6,417,630	7,5
5.22.70.00	Long-term deferred taxes	8	2,756,681	2,3
5.22.80.00	Other long-term liabilities		0	
5.23.00.00	MINORITY INTEREST		0	
5.24.00.00	TOTAL EQUITY		235,392,240	231,0
5.24.10.00	Paid-in capital	27	65,396,749	65,1
5.24.20.00	Reserve capital revaluation	27	523,174	7
5.24.30.00	Premium in sale of own shares	27	28,097,372	28,0
5.24.40.00	Other reserves	27	7,499,397	9,1
5.24.50.00	Retained earnings (addition of codes 5.24.51.00 to 5.24.56.00)	27	133,875,548	127,9
	5.24.51.00 Reserve future dividends	27	128,030,273	125,9
	5.24.52.00 Accrued profits	27	0	
	5.24.53.00 Accrued losses (minus)		0	
	5.24.54.00 Profit (loss) for the year	27	7,125,275	2,9
	5.24.55.00 Prov. dividends (minus)		(1,280,000)	(9
	5.24.56.00 Accr. deficit dev. period	27	0	
5.20.00.00	TOTAL LIABILITIES		364,944,761	366,5

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.	06-30-04	06-3
5.31.11.00 OPERATING RESULTS		10,135,406	9,6
5.31.11.10 Gross Margin		12,897,397	12,2
5.31.11.11 Sales		33,297,866	33,5
5.31.11.12 Costs (minus)		(20,400,469)	(21,3
5.31.11.20 Adm. & sales expenses (minus)		(2,761,991)	(2,5
5.31.12.00 NON-OPERATING RESULTS		(1,449,153)	(5,9
5.31.12.10 Interest income		905,688	1,5
5.31.12.20 Income from invmnts Rel. Co.	14	3,248,046	2,7
5.31.12.30 Other non-operating income	28	302,039	1
5.31.12.40 LOSS invmnts Rel. Co. (-)		(4,042,363)	(3,4
5.31.12.50 Amortization	16	(86,391)	(

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	neg.goodwill (-)			
5.31.12.60	Interest expenses (minus)		(2,392,823)	(2,4
5.31.12.70	Other non-operat expenses (-)	28	(498,015)	(4
5.31.12.80	Price level restatement	29	(276,582)	(3
5.31.12.90	Exchange differences	30	1,391,248	(3,6
5.31.10.00	RESULTS BEFORE INCOME TAX AND EXTRAORDINARY ITEMS		8,686,253	3,6
5.31.20.00	INCOME TAX	8	(1,560,978)	(7
5.31.30.00	EXTRAORDINARY ITEMS		0	
5.31.40.00	PROFIT (LOSS) BEFORE MINORITY INTEREST		7,125,275	2,9
5.31.50.00	MINORITY INTEREST		0	
5.31.00.00	NET INCOME (LOSS)		7,125,275	2,9
5.32.00.00	Amortization of positive goodwill	16	0	
5.30.00.00	INCOME (LOSS) FOR THE YEAR		7,125,275	2,9

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.

06-30-04

5.41.11.00	NET FLOW FROM OP. ACT.		18,827,455
5.41.11.10	Collection from sales debtors		42,923,558
5.31.11.20	Interests received		4,190,264
5.31.11.30	Dividends & other distributions funds received		1,722,636
5.31.11.40	Other income		277,394
5.31.11.50	Payments to suppliers & personnel (-)		(23,836,693)
5.31.11.60	Interest paid (minus)		(2,201,738)
5.31.11.70	Income tax paid (minus)		(1,043,041)
5.31.11.80	Other expenses	33	(195,194)
5.31.11.90	V.A.T. & other taxes		(3,009,731)
5.41.12.00	CASH FLOW FINANCING ACTIVITIES		(2,589,534)
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)		(2,589,534)
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

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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		(7,118,517)
5.41.13.05	Sale of fixed assets		48,951
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)		(3,355,855)
5.41.13.40	Capitalized interests payment (minus)		0
5.41.13.45	Permanent Investments (minus)		(197)
5.41.13.50	Investments in financial instruments (minus)		0
5.41.13.55	Other loans to related companies (minus)		(3,804,928)
5.41.13.60	Other loans to related companies (minus)		(6,488)
5.41.13.65	Other distrib of funds on invest activities (-)	33	0
5.41.00.00	TOTAL NET CASH FLOW FOR THE PERIOD		9,119,404
5.42.20.00	EFFECT OF INFLATION ON CASH & CASH EQUIV.		(583,131)
5.41.00.00	NET CHANGE IN & CASH EQUIVALENT		8,536,273
5.42.00.00	CASH & CASH EQUI AT BEGINNING OF PERIOD		60,479,914
5.43.00.00	CASH & CASH EQUIV BALANCE AT END OF PERIOD		69,016,187

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.	06-30-04
5.50.10.00 Profit (Loss) for the year		7,125,275
5.50.20.00 Profit in sale of assets		(8,589)
5.50.20.10 (Profit) Loss in sale of fixed assets		(8,589)
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)		11,622,754
5.50.30.05 Depreciation for the year	12	5,248,805
5.50.30.10 Amortization of intangibles		412,961
5.50.30.15 Write-offs and provisions		2,179,244
5.50.30.20 Accrued earnings from investments in related companies (minus)	14	(3,248,046)

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5.50.30.25	Accrued losses from investments in related Co.	14	4,042,363
5.50.30.30	Negative goodwill amortization	16	86,391
5.50.30.35	Positive goodwill amortization (minus)		0
5.50.30.40	Price level restatement	29	276,582
5.50.30.45	Net exchange difference	30	(1,391,248)
5.50.30.50	Other non-cash credits to results (minus)		(324,671)
5.50.30.55	Other non-cash debits to results		4,340,373
5.50.40.00	Changes in Assets affecting cash flow (incr) decreases		(1,616,989)
5.50.40.10	Debtors from sales		311,356
5.50.40.20	Inventory		(2,191,980)
5.50.40.30	Other assets		263,635
5.50.50.00	Changes in liabilities affecting cash flow increases (decr)		1,705,004
5.50.50.10	Accounts payable related to results for the year		295,908
5.50.50.20	Interests payable		(12,009)
5.50.50.30	Income tax payable (net)		999,181
5.50.50.40	Other accounts payable related to non-oper results		509,336
5.50.50.50	VAT and other taxes payable (net)		(87,412)
5.50.60.00	Profit (Loss) of minority interest		0
5.50.00.00	NET OPERATING CASH FLOW		18,827,455

### 01. Registration In The Securities Register

#### 1. 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 Chilean Securities and Insurance Commission (SVS).

### 02. Applied Accounting Criteria

#### APPLIED ACCOUNTING CRITERIA

##### a) Accounting Period

These financial statements correspond to the period between January 1 and June 30 of 2004 and 2003.

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

These individual financial statements as of June 30, 2004 and 2003 have been prepared on the basis of generally accepted accounting principles and specific norms issued by the SVS, with the former prevailing in case of discrepancies.

Investments in subsidiaries are registered in a single line of the general



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balance sheet at their proportional equity value (VPP) and therefore, have not been consolidated line to line. This treatment does not modify the net result of the fiscal year nor the equity.

These financial statements have been emitted solely for the effect of doing an individual analysis of the company and, in consideration to it, they must be read together with the consolidated financial statements, which are required by the generally accepted accounting principles in Chile.

### c) Presentation Basis

For comparison purposes, the financial statements and figures included in the disclosures for the 2004 fiscal year are presented updated according to non-accounting terms as of June 30, 2004 by 0.6%.

### d) 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 0.8% (1.1% in 2003).

For financial matters, effective variations occurred during each month of 2004 and 2003 have been considered, with respect to June 2004 and 2003. For tax matters, negative variations occurred in some months of 2003 and 2004, with respect to June 2003 and 2004, have been equaled to zero, in accordance with instructions from the Chilean Internal Revenue Service (SII), not affecting significantly the financial statements.

### e) Conversion Basis

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

	2004	2003
	Ch\$	Ch\$
U.S. Dollar	636.30	699.12
Pound Sterling	1,157.12	1,157.48
Swiss Franc	509.16	517.18
EURO	775.88	803.86
Unidad de Fomento	17,014.95	16,959.67

### 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 June 30, 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.

Mutual fund investment quotas are valued at the liquidation price of each period.

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### g) Inventory

Inventory of finished products has been valued as of June 30, 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 company has 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

The fixed assets are shown at purchase cost plus legal and regulatory revaluations accumulated until June 30, 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.

### m) Intangibles

At June 30, 2004 and 2003 there was no balance for this item.

### n) 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 (Net Worth Proportional Value or "VPP"), according to procedures established for these purposes by circulars No. 368 and No. 1,697 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.

Those values are amortized over a twenty-year period.

At June 30, 2004 and 2003 there was no positive investment goodwill.

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### 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 1,466 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 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 sales on an accrued basis according to generally accepted accounting principles in Chile.

### t) Derivative Contracts

The company maintains Future contracts in foreign currency, which have been recorded as established in Technical Bulletin No. 57 of the Accountants Association of Chile A.G.

### 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 registers expenses for this concept directly to results, as they generate.

### 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.

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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 term deposits and agreement with maturity more than 90 days has been clasified in the item "Investments in Financial Instrument"

### 03. Accounting Changes

As of June 30 2004 and 2003, there have not been any changes in the accounting criteria that affect the individual financial statements.

### 04. Marketable Securities

At June 30, 2004, this item is composed by the following investments:

- a) Th\$55,251,502 investments in bonds and Fixed Rate Instruments equivalent to US\$ 41,048,455 and 37,547,521 EUROS; which mainly corresponds to investments in state bonds and 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\$ 4,187,786 in shares.
- c) Th Ch\$ 176,393 in interest accrued in Celulosa Arauco S.A. bonds.

At June 30, 2003, there were the following investments:

- a) Th\$54,372,053 investments in bonds and Fixed Rate Instruments; which mainly corresponds to investments in state bonds and 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\$ 4,183,939 in shares.
- c) Th Ch\$ 194,134 in accrued interest in Celulosa Arauco S.A. bonds.

CRISTALERIAS DE CHILE S.A.

NOTE 4 - MARKETABLE SECURITIES - BALANCE COMPOSITION

Type of Security	Book Value	
	06-30-2004	06-30-2003
Shares	4,187,786	4,183,939
Bonds	0	0

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Mutual fund quotas	0	0
Investment fund quotas	0	0
Public tender promissory notes	0	0
Mortgage bonds	0	0
Fixed rate instruments and bonds	55,251,502	54,372,053
Accrued interest in Celulosa Arauco S.A. bonds	176,393	194,134
Total Marketable Securities	59,615,681	58,750,126

CRISTALERIAS DE CHILE S.A.

NOTE 4 - MARKETABLE SECURITIES - SHARES

R.U.T.	Company Name	Number of Shares	Share Percentage	Unit Market Value	Ma Inve Va
96.512.200-1	Bodegas y Vinedos Santa Emiliana S.A.	63,642,856	9.9980	85	5,4
	Value Investment Portfolio				5,4
	Adjustment Reserve				
	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 %	Ma Va
Financial Institutions bonds (USA, Germany and Holland) (1)	29,132,371	29,132,371	1.17	29,1
USA treasure bonds (2)	20,555,448	20,555,448	0.38	20,5
Mortgage bonds USA (with state guarantee) (2)	5,549,780	5,549,780	0.38	5,5
Call Deposit (2)	13,903	13,903	0.38	
Celulosa Arauco Bonds (Interests) (2)	176,393	176,393	2.80	1

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TOTAL

55,427,895 55,427,895

55,4

Note:

- (1) The investement has been made in EUROS
- (2) The investement has been made in U.S. Dollar
- (3) Rate for period from 01-01-2004 to 06-30-2004.
- (4) The investment can be rescued within a 48 hour warning.

05. Short-Term and Long-Term Debtors

At June 30, 2004 and 2003 there are balances of short-term debtors of Th Ch\$ 20,590,272 and Th Ch\$ 17,045,767 respectively.

There is also a balance of Th Ch\$ 119,106 for Long-Term debtors in 2004 (Th Ch\$ 151,965 in 2003).

At June 30, 2004 and 2003 the company has established a reserve for bad debts of Th Ch\$ 143,127 in 2004 (Th Ch\$ 143,986 in 2003), which is deducted from Debtors for Sales and documents receivable.

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

CRISTALERIAS DE CHILE S.A.

NOTE 5 - SHORT AND LONG TERM DEBTORS

Area	Current Assets		Over 90 days up to 1 year	
	Up to 90 days			
	06-30-2004	06-30-2003	06-30-2004	06-30-2003
Debts from Sales	17,897,634	14,104,583	1,012,012	736,507
Estimate of non-collectable debt	-	-	-	-
Documents receivable	947,335	1,608,188	48,088	65,148
Estimate of bad debtors	-	-	-	-
Misc. Debtors	395,818	639,915	432,512	35,412
Estimate of bad debtors	-	-	-	-

Area	Subtotal	Total Current (net)		Long Term	
		06-30-2004	06-30-2003	06-30-2004	06-30-2003

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Debts from Sales	18,909,646	18,766,519	14,697,104	0	0
Estimate of non-collectable debt	143,127	-	-	-	-
Documents receivable	995,423	995,423	1,673,336	0	0
Estimate of bad debtors	0	-	-	-	-
Misc. Debtors	828,330	828,330	675,327	119,106	151,965
Estimate of bad debtors	-	-	-	-	-
Total Long Term Debtors				119,106	151,965

### 06. Balances and Transactions with related entities

I. Balances receivable in the Short-Term as of June 30, 2004 and 2003 are in the amount of Th Ch\$ 4,892,084 and Th Ch\$ 2,167,143 respectively. In the Long-Term a balance of Th Ch\$ 22,007,684 and Th Ch\$ 21,994,506 respectively, is recorded, of which Th Ch\$ 20,037,623 in 2004 (19,964,196 in 2003) correspond to shares sold of Rayen Cura S.A.I.C. to the subsidiary Cristalchile Inversiones S.A., equivalent to UF 1,177,648, without interests; and Th Ch\$ 867,762 in 2004 (Th Ch\$ 2,030,310 in 2003) correspond to a balance of loan granted to Red Televisiva Megavisión S.A.

1. Detail of Credits receivable:

a. Loan to Red Televisiva Megavisión S.A.; 2.49% annual rate, adjutability in UF.

05.07.2006	UF17,000	ThCh\$289,254
05.01.2007	UF17,000	ThCh\$289,254
05.07.2007	UF17,000	ThCh\$289,254

b. Loan to Metropolis Intercom S.A.; annual rate 3% in pesos.

09.06.2005	ThCh\$2,704,725	short term
18.04.2006	ThCh\$ 855,171	long term

2. There are balances for sales invoicing with the following related companies with maturity under 90 days:

	2004	2003
	Th Ch\$	ThCh\$
S.A. Vina Santa Rita	1,868,019	1,881,621
Vina Carmen S.A.	2,355	0
Vina Los Vascos S.A.	205,021	184,174
Servicios y Consultorias Hendaya S.A.	3,309	0
Rayen Cura S.A.I.C.	83,738	85,526
Vina Dona Paula S.A.	23,556	0
<b>Total</b>	<b>2,185,998</b>	<b>2,151,321</b>

In addition, as of June 2003 there was a balance receivable for a loan granted to Cristalchile Comunicaciones S.A. for ThCh\$15,822.

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II. Balances payable in the short term amount Th Ch\$ 941,564 in 2004, and ThCh\$ 676,521 in 2003, that correspond mainly to invoicing with maturity under 90 days:

	2004		2003	
	Th	Ch\$	Th	Ch\$
S.A. Vina Santa Rita		155,186		146,801
Envases CMF S.A.		0		37
Ediciones Financieras S.A.		0		1,603
Vina Los Vascos S.A.		4,048		10,587
Cia. Electrometalurgica S.A.		0		1,064
Servicios y Consultorias Hendaya S.A.		103,315		85,701
Marketing Meter Ltda.		1,879		0
Total		264,418		245,793

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	
		06-30-2004	06-30-2003	06-30-2004	06-30-2003
86547900-K	S.A. VINA SANTA RITA	1,868,019	1,881,621	0	
79952350-7	RED TELEVISIVA MEGAVISION S.A.	0	0	867,762	2,030
89150900-6	VINA LOS VASCOS S.A.	205,021	184,174	0	
96721580-5	CRISTALCHILE COMUNICACIONES S.A.	1,361	15,822	0	
96972440-5	CRISTALCHILE INVERSIONES S.A.	0	0	20,037,623	19,964
83032100-4	SERV. Y CONSULTORIAS HENDAYA S.A.	3,309	0	0	
87941700-7	VINA CARMEN S.A.	2,355	0	0	
96787750-6	METROPOLIS INTERCOM S.A.	2,704,725	0	855,171	
78936090-1	INMOB. Y CONSTRUCTORA MONTE AZUL S.A.	0	0	247,128	
0-E	VINA DONA PAULA S.A.	23,556	0	0	
0-E	RAYEN CURA S.A.I.C.	83,738	85,526	0	
	TOTAL	4,892,084	2,167,143	22,007,684	21,994

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	
		06-30-2004	06-30-2003	06-30-2004	06-30-2003
86547900-K	S.A. VINA SANTA RITA	155,186	146,801	0	



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89150900-6	VINA LOS VASCOS S.A.	4,048	10,587	0
96972440-5	CRISTALCHILE INVERSIONES S.A.	7,947	9,298	0
96721580-5	CRISTALCHILE COMUNICACIONES S.A.	948	0	0
96539380-3	EDICIONES FINANCIERAS S.A.	0	1,603	0
86755600-1	BAYONA S.A.	118,251	89,220	0
96608270-4	CIECSA S.A.	813	3,549	0
86881400-4	ENVASES CMF S.A.	0	37	0
90320000-6	CIA. ELECTROMETALURGICA S.A.	435,600	329,725	0
83032100-4	SERV. Y CONSULTORIAS HENDAYA S.A.	216,902	85,701	0
77658870-9	MARKETING METER LTDA.	1,869	0	0
	TOTAL	941,564	676,521	0

CRISTALERIAS DE CHILE S.A.

NOTE 6 - BALANCES AND TRANSACTIONS WITH RELATED COMPANIES  
TRANSACTIONS

Company	R.U.T.	Relationship	Description of Transaction	06-30-2004 Amount	Effect on Results (Debit/Credit)
CRISTALCHILE COMUNICACIONES S.A..	96721580-5	Affiliate	Adjustment	3	
CRISTALCHILE INVERSIONES S.A.	96972440-5	Affiliate	Loan refund	0	
		Affiliate	Adjustment	111,818	111,818
S.A VINA SANTA RITA	86547900-K	Affiliate	Marketing	0	
		Affiliate	Direct sales Bottles	2,804,231	689,118
		Affiliate	Direct Sales Packages	268,406	
		Affiliate	Material Purchase	254,713	7,500
		Affiliate	Vine Leasing	15,873	15,873
		Affiliate	Received Dividends	642,943	
SERV. Y CONS. HENDAYA S.A.	83032100-4	Controlling stockholder	Received services	518,655	-518,655
		Controlling stockholder	Given services	9,563	9,563
SERV. Y CONS. HENDAYA S.A.	90320000-6	Controlling stockholder	Dividends paid	228,310	

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CLARO Y CIA.	79753810-8	With the Chairman	Legal assesment	15,954	-15,9
NAVARINO S.A.	96566900-0	Indirect subsidiary	Given services	5,062	5,0
QUEMCHI S.A.	96640360-8	Indirect affiliate	Loaned services	5,076	5,0
CIA. SUDAMERICANA DE VAPORES S.A.	90160000-7	Indirect affiliate	Freight services	82,982	
BAYONA S.A.	86755600-1	Controlling stockholder	Dividends paid	237,684	
VINA LOS VASCOS S.A.	89150900-6	Indirect affiliate	Direct sales	394,495	96,9
		Indirect affiliate	Materials purchased	27,972	
EDICIONES FINANCIERAS S.A.	96793770-3	Indirect affiliate	Received services	3	
RAYEN CURA S.A.I.C.	0-E	Indirect affiliate	Direct Sales	115,741	34,2
CIA. ELECTROMETALURGICA S.A.	90320000-6	Controlling stockholder	Dividends paid	875,556	
		Controlling stockholder	Materials purchased	4,688	
		Controlling stockholder	Payment for own account	0	
RED TELEVISIVA MEGAVISION S.A.	79952350-7	Indirect affiliate	Interests	27,463	27,4
		Indirect affiliate	Adjustment	4,842	4,8
		Indirect affiliate	Loan refund	0	
		Indirect affiliate	Payment for own account	0	
		Indirect affiliate	Advertising	0	
CIECSA S.A.	96608270-4		Adjustment	16	-
VINA CARMEN S.A.			Land rent	2,354	2,3
CIA. ELECTROMETALURGICA S.A.	90320000-6	Controlling stockholder	Payment for own account	0	
RED TELEVISIVA MEGAVISION S.A.	79952350-7	Indirect affiliate	Advertising	5,000	-5,0
		Indirect	Loan refund	0	

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		affiliate		
		Indirect affiliate	Payment for own account	0
METROPOLIS INTERCOM S.A.	96787750-6	Indirect affiliate	Long-term loan granted	855,171
		Indirect affiliate	Short-term loan granted	2,704,725
INM. Y CONSTRUCTORA MONTE AZUL S.A.	78936090-1	Affiliate	Loan granted	247,128

07. Inventory

The balance as of June 30 2004 and 2003 of the inventory item corresponds to finished products and materials that are valued as described in Note 2 g). A detail of its composition is shown below:

	2004		2003	
	Th	Ch\$	Th	Ch\$
Finished Products	3,785,034		3,373,595	
Raw Materials and Fuel	1,195,803		2,031,456	
Materials and spare parts to be consumed	899,181		1,054,862	
Materials in transit	1,098,711		222,614	
TOTAL	6,978,729		6,682,527	

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 year for Short-Term Assets, 4 years for Long-Term Assets, and 14 years 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.

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The itemized list is the following:

	2004		2003	
	Th	Ch\$	Th	Ch\$
Fiscal year income tax reserve		(1,844,654)		(571,924)
Single tax reserve		(7,024)		(4,880)
		-----		-----
SUBTOTAL		(1,851,678)		(576,804)
Credits:				
Monthly reserve payments		865,132		1,380,120
Training expenditure		19,734		31,154
Credit fixed asset		0		0
Donations		0		0
V.A.T. to be recovered		0		208,161
		-----		-----
CREDIT SUBTOTAL		884,866		1,619,435
Income Tax Credit previous fiscal year		2,093,170		233,535
		-----		-----
TOTAL TAXES TO BE RECOVERED		1,126,358		1,276,166

C) TAXABLE INCOME FUND

The Company had the following taxable income to be distributed:

	2004		2003	
	Th	Ch\$	Th	Ch\$
Generated as of 12.31.1983:				
Profit adjustment		1,930,833		1,930,833
Generated since 01.01.1984:				
Without Credit		1,943,098		1,080,718
With 10% First Category Credit		22,785		22,875
With 15% First Category Credit		84,552,274		87,651,560
With 16% First Category Credit		14,535,934		16,256,265
With 15% Additional Rate Credit		722		728
With 16.5% First Category Credit		6,972,963		3,571,625
With 17% First Category Credit		10,955,060		0
		-----		-----
SUBTOTAL TAX PROFITS		118,982,836		108,583,771
Non-income revenues		6,852,415		6,879,852
TOTAL EARNINGS TO DISTR.		125,835,251		115,463,623

CRISTALERIAS DE CHILE S.A.

NOTE 8 - DEFERRED TAXES AND INCOME TAX  
DEFERRED TAXES

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Item	06-30-2004			
	Asset Deferred Tax		Liability Deferred Tax	
	Short term	Long Term	Short Term	Long Term
Temporary Differences				
Reserve non-collectable accounts	24,331	0	0	
Expected revenue	0	0	0	
Vacation reserve	65,521	0	0	
Amortization intangibles	0	0	0	
Leased assets	0	0	0	
Manufacturing expenses	0	0	0	
Fixed asset depreciation	0	0	0	4,710,7
Severance	2,008	155,299	0	
Other events	0	0	0	
Packaging reserve	215,059	0	0	
Other reserve	0	0	0	
Furnace repair reserve	339,507	358,000	0	
Refractories obsolescence reserve	7,058	0	0	
Spare parts obsolescence reserve	103,850	0	0	
Deferred customs duties	104,236	20,991	0	74,7
Accumulated depreciation automoviles	0	19,288	0	
Unrealized profit	38,988	10,836	0	
Fixed asset, molds	0	0	0	229,3
Amortization lower value bonds	0	0	53,803	513,1
OTHERS				
Complementary accounts-net amortization	0	6,703	0	2,213,5
Valuation reserve	0	0	-	
Total	897,558	557,711	53,803	3,314,3

Item	06-30-2003			
	Asset Deferred Tax		Liability Deferred Tax	
	Short term	Long Term	Short Term	Long Term
Temporary Differences				
Reserve non-collectable accounts	23,758	0	0	
Expected revenue	0	0	0	
Vacation reserve	51,394	0	0	
Amortization intangibles	0	0	0	
Leased assets	0	0	0	
Manufacturing expenses	0	0	0	
Fixed asset depreciation	0	0	0	4,575,8
Severance	1,973	37,924	0	
Other events	0	0	0	
Packaging reserve	189,513	0	0	
Other reserve	0	110,194	0	
Furnace repair reserve	0	568,415	0	
Refractories obsolescence reserve	6,844	0	0	
Spare parts obsolescence reserve	97,887	0	0	
Deferred customs duties	2,708	485	0	82,4
Accumulated depreciation automoviles	0	15,888	0	
Unrealized profit	42,401	2,840	0	
Fixed asset, molds	0	0	0	270,4
Amortization lower value bonds	0	0	54,019	569,8
OTHERS				

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Complementary accounts-net amortization	0	16,265	0	2,449,4
Valuation reserve	0	-	0	
Total	416,478	719,481	54,019	3,049,0

CRISTALERIAS DE CHILE S.A.

NOTE 8 - DEFERRED TAXES AND INCOME TAX  
INCOME TAX

ITEM	06-30-2004	06-30-2003
Current tax costs (tax reserve)	-1,851,678	-576,804
Adjustment tax cost (previous year)	0	0
Effect on assets or liabilities from deferred tax of fiscal year	422,514	-88,399
Tax benefit from tax losses	0	0
Effect of amortization of complementary accounts of deferred assets and liabilities	-131,814	-76,440
Effect on assets or liabilities of deferred tax for changes in evaluation reserve	0	0
Other debits or credits in the account	0	0
Total	-1,560,978	-741,643

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 June 30, 2004 and 2003, there are no transactions for this concept.

6

10. Other current assets

As of June 30, 2004, this item includes investments of Th Ch\$ 7,112,460 in investments in financial instruments, with resale agreements valued as stated in note 2 p), corresponding to agreements in pesos of Th Ch\$ 6,850,685 and Th Ch\$ 261,775 in agreements in US Dollars for less than 90 days.

Th Ch\$ 326,081 also are included as expenses for issue and placement of bond series C and D.

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As of June 30, 2003, this item includes investments of Th Ch\$ 4,647,352 in financial instruments with resale agreements, valued as stated in note 2 p), Th Ch\$ 4,085,704 corresponding to agreements in pesos and Th Ch\$ 561,648 to agreements in US Dollars for less than 90 days.

Th Ch\$ 327,388 also are included expenses for issue and placement 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 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 Value
	Start	End					
CRV	06.25.2004	07.01.2004	BCI CB	Pesos	1,000,000	0.15	1,000,300
CRV	06.25.2004	07.02.2004	BCI CB	Pesos	1,650,000	0.15	1,650,578
CRV	06.29.2004	07.05.2004	BCI CB	Pesos	450,000	0.15	450,135
CRV	06.30.2004	07.05.2004	SANTANDER INVESTMENT	Pesos	760,000	0.16	760,203
CRV	06.30.2004	07.06.2004	SANTANDER INVESTMENT	Pesos	1,500,000	0.16	1,500,480
CRV	06.30.2004	07.07.2004	SANTANDER INVESTMENT	Pesos	1,490,000	0.16	1,490,556
CRV	06.30.2004	07.07.2004	SANTANDER AGENTE VALORES	Dollar	261,775	1.50	261,851

### 12. Fixed Assets

Fixed Assets:

The Fixed Assets are shown at purchase cost plus the legal and regulatory revaluations accumulated as of June 30, 2004 and 2003.

The items that make up the Company's fixed assets as of June 30, 2004 and 2003

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include mainly Land, Industrial Constructions, Infrastructure Works, Machinery, and Equipment distributed throughout the Padre Hurtado facility.

### Technical Reappraisal and Adjustment of Accounting Values

The 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\$ 5,248,805 in 2004 and Th Ch\$ 4,671,670 in 2003.

The detail of fixed assets and their depreciation is shown on an attached chart.

FIXED ASSETS		2004		2003	
		Th	Ch\$	Th	Ch\$
LAND					
Land & mining claims		1,514,725		1,510,424	
Subtotal land		1,514,725		1,510,424	
*Subtotal land		1,514,725		1,510,424	
CONSTRUCTIONS & INFRASTRUCTURE					
High rises and industrial const.		13,486,690		13,461,630	
Facilities		9,772,887		9,097,497	
Housing developments		26,423		26,397	
*Subtotal		23,286,000		22,585,524	
DEPRECIATION					
Accrued		(10,724,662)		(8,965,783)	
For the fiscal year		(662,130)		(644,167)	
Subtotal depreciation		(10,936,792)		(9,609,950)	
SUBTOTAL CONSTRUCTIONS & INFRASTRUCTURE		12,349,208		12,975,574	
MACHINERY & EQUIPMENT					
Machinery		56,994,492		54,327,264	
Furnaces		46,747,917		46,597,914	
Furniture and Materials		1,371,663		1,239,002	
Tools		441,172		353,433	
Vehicles		213,113		222,108	
*Subtotal		105,768,357		102,739,721	
DEPRECIATION					
Accrued		(49,669,976)		(41,265,498)	
For the fiscal year		(4,481,549)		(3,922,481)	
Subtotal depreciation		(54,151,525)		(45,187,979)	



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Subtotal machinery & equip	51,616,832	57,551,742
OTHER FIXED ASSETS		
Spare parts	5,917,908	5,373,156
Imports in transit	838,648	84,730
Works underway	944,690	642,812
Lots in Pirque and Leyda	413,529	466,610
Other	400,246	347,137
Subtotal other assets	8,515,021	6,914,445
TOTAL FIXED ASSETS	139,084,103	133,750,114
TOTAL ACCUMUL. DEPREC.	(59,944,638)	(50,231,281)
TOTAL DEPREC FOR PERIOD	(5,143,679)	(4,566,648)
TOTAL NET FIXED ASSETS	73,995,786	78,952,185

TECHNICAL REVALUATION AND ADJUSTMENT OF ACCOUNTING VALUES

	2004	2003
	Th Ch\$	Th Ch\$
LAND		
Land and mining claims	315,506	321,069
Subtotal land and mining claims net	315,506	321,069
CONSTRUCTIONS & INFRASTRUCTURE		
High rises and industrial constructions	6,302,662	6,290,431
Facilities	41,665	41,614
Subtotal Constructions	6,344,317	6,332,045
DEPRECIATION		
Accrued	(5,101,125)	(4,886,001)
For the fiscal year	(105,126)	(105,022)
Subtotal depreciations	(5,206,251)	(4,991,024)
Subtotal Constuctions & Infrastucture net	1,138,066	1,341,022
MACHINERY & EQUIPMENT		
Furnaces	0	533,018
Machinery	0	581,718
Tools	0	0
Furniture and Materials	0	0
*Subtotal	0	1,114,736
DEPRECIATION		
Accrued	0	(1,114,736)
For the fiscal year	0	0
Subtotal depreciation	0	(1,114,736)
Subtotal machinery & equip	0	0
Total Net Technical Revaluation	1,453,572	1,662,091
TOTAL FIXED REVALUATION	6,659,823	7,767,850

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TOTAL ACCRUED DEPREC.	(5,101,125)	(6,000,737)
TOTAL DEPREC FOR THE PERIOD	(105,126)	(105,022)
TOTAL NET	1,453,572	1,662,091

### 13. Sales transactions with leaseback

These type of transactions were not carried out as of June 30, 2004 and 2003.

### 14. Investments in related companies

According to Circular N. 1697 of the SVS, valuations of investments in related companies effected prior to January 2004 have been done using the Equity Method (VPP).

This method consists in assigning the investment an equivalent value to the proportion that corresponds to the company in book value net worth of the issuer, and acknowledge proportionally the variations that this value experiments.

#### CIECSA S.A.

On April 20, 2000, the Shareholders of Ciecsa S.A. agreeded to increase the company's equity company in the equivalent of UF 359,921 through the issue of 343,750,000 shares that were fully subscribed by Cristalchile S.A.

Such subscription was finally paid on April 18, 2003. On August 26, 2003 it was agreed to increase CIECSA's capital by Th Ch\$ 910,000 by means of issuing 36,400,000 shares subscribed and paid in its totality by Cristalchile, with which the participation in the subsidiary reached 98.45%.

#### CRISTALCHILE INVERSIONES S.A.

At the end of year 2001 this company was created in which Cristalerias de Chile S.A. has a 99.99% participation. Cristalchile Inversiones S.A., in turn, registers an investment of 40% in the capital of Rayen Cura S.A.I.C., a company constituted in the city of Mendoza, Rep. of Argentina.

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

As of June 30, 2004, financial statements of Rayen Cura S.A.I.C. recognize a rate of exchange of \$ 2.94 argentine pesos per US dollar. Cristalchile Inversiones S.A., in turn, has adjusted the financial statements Rayen Cura S.A.I.C., to recognize the variation of \$ 2.91 argentine pesos per US Dollar as of December 31, 2003, and \$ 2.94 argentine pesos per US Dollar as of June 30, 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 recognized a Th Ch\$ 548,441 income during the first half of 2004 and a Th Ch\$ 742,704 income as of June 30, 2003.

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On the other hand, the variation of the dollar exchange rate in Chile during the first half of 2004, originated in the investment in Rayen Cura S.A.I.C. and for the negative goodwill

produced by the purchase of shares of that company, a Th Ch\$ 1,026,122 credit in 2004 (Th Ch\$ 723,786 charge in 2003), to Other Equity Reserves account.

### CRISTALCHILE COMUNICACIONES S.A.

As of September 29, 2003, the shareholders of the company agreed to increase its capital by issuing 3.861.538 shares without nominal value, at Ch\$ 650 per share, which represents Th Ch\$ 2,510,000.

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

### S.A. VINA SANTA RITA

During the fiscal year 2004, the Company registered a non-realized income for the sale of glass bottles to the subsidiary S.A. Vina Santa Rita of Th Ch\$ 41,007 (Th Ch\$ 49,701 in 2003).

As of June 30, 2004, the accumulated balance for this concept reached Th Ch\$ 236,291 (Th Ch\$ 256,978 in 2003).

### INMOBILIARIA MONTE AZUL SA.

On May 14, 2004, Cristalchile S.A. paid its subsidiary Constructora Apoger the sum of Th Ch\$ 196 for 49% of its rights. With this contribution the participation in this affiliate reached 50% as of June 30, 2004 (without effects in results).

### CRISTALERIAS DE CHILE S.A.

#### NOTE 14 - INVESTMENTS IN RELATED COMPANIES DETAIL OF INVESTMENTS

R.U.T.	Company	Country of Origin	Investment Control Currency	Shareholder (Percentage)		
				06-30-2004	06-30-2003	06-30-2004
96721580-5	Cristalchile Comunicaciones S.A.	Chile	Peso	105,074,698	99.0000000	99.000000
86547900-K	S.A. Vina	Chile	Peso	493,959,597	54.0000000	54.000000

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	Santa Rita S.A.					
86881400-4	Envases CMF S.A.	Chile	Peso	28,000	50.0000000	50.000000
96608270-4	Ciecsa S.A.	Chile	Peso	689,301,305	98.0000000	98.000000
96767580-6	Constructora Apoger S.A.	Chile	Peso	800,000	80.0000000	80.000000
96826870-8	Inmobiliaria Don Alberto S.A.	Chile	Peso	3,817	0.0000000	38.000000
96972440-5	Cristalchile Inversiones S.A.	Chile	Peso	9,999	99.9900000	99.990000
78936090-1	Inmobiliaria Monte Azul S.A.	Chile	Peso	50	50.0000000	0.000000
	TOTAL					

R.U.T.	Company	Company Equity		Net Income		Accrue
		06-30-2003	06-30-2004	06-30-2004	06-30-2003	06-30-2004
96721580-5	Cristalchile Comunicaciones S.A.	65,409,343	70,253,878	-4,040,744	-3,467,776	-4,040,670
86547900-K	S.A. Vina Santa Rita S.A.	84,393,304	80,883,079	3,553,335	2,881,707	1,922,248
86881400-4	Envases CMF S.A.	32,276,385	33,753,421	298,319	1,216,701	149,160
96608270-4	Ciecsa S.A.	19,205,202	14,822,184	926,745	75,302	912,341
96767580-6	Constructora Apoger S.A.	3,651	5,456	-1,082	-703	-866
96826870-8	Inmobiliaria Don Alberto S.A.	0	37	0	2	0
96972440-5	Cristalchile Inversiones S.A.	-1,811,40	-1,078,682	264,324	529,017	264,297
78936090-1	Inmobiliaria Monte Azul S.A.	-1,052	0	-1,654	0	-827
	TOTAL					

R.U.T.	Company	VPP		Unrealized Income		Investment
		06-30-2004	06-30-2003	06-30-2004	06-30-2003	06-30-2004
96721580-5	Cristalchile Comunicaciones S.A.	65,408,145	70,252,490	0	0	65,408,145
86547900-K	S.A. Vina	45,654,254	43,755,327	236,291	256,978	45,417,963

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	Santa Rita S.A.					
86881400-4	Envases CMF S.A.	16,138,193	16,876,710	0	0	16,138,193
96608270-4	Ciecsa S.A.	18,906,712	14,579,183	207,370	240,309	18,699,342
96767580-6	Constructora Apoger S.A.	2,921	4,365	0	0	2,921
96826870-8	Inmobiliaria Don Alberto S.A.	0	14	0	0	0
96972440-5	Cristalchile Inversiones S.A.	0	0	0	0	0
78936090-1	Inmobiliaria Monte Azul S.A.	-526	0	0	0	-526
	TOTAL	146,109,699	145,468,089	443,661	497,287	145,666,038

15. Investments in other companies

As of June 30, 2004 and 2003 there are no investments in other companies.

16. Goodwill Amortization

NEGATIVE GOODWILL

Stock purchases made between 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 June 30, 2004 totaled Th Ch\$ 1,821,374 (Th Ch\$ 1,992,171 in 2003).

POSITIVE GOODWILL

As of June 30, 2004 and 2003 there were no transactions for this concept.

CRISTALERIAS DE CHILE S.A.

NOTE 16 - GOODWILL ON INVESTMENTS  
Negative Goodwill

R.U.T.	Company Name	06-30-2004	06-30-
		Amount Amortiz.	Balance of Negative Amount Amortiz.

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		this period	Goodwill	this period
86547900-K	S.A. Vina Santa Rita	25,288	538,221	25,264
96608270-4	Ciecsa S.A.	61,103	1,283,153	61,042
	TOTAL	86,391	1,821,374	86,306

17. Intangibles

As of June 30, 2004 and 2003 there are no values for these items.

18. Other (Assets)

As of June 30, 2004, Other Long-term Assets include Th Ch\$ 8,539,146 (Th Ch\$ 9,438,484 in 2003) for investments in Bonds of Celulosa Arauco y Constitucion S.A., equivalent to US\$ 13,455,834 at an annual rate of 6.95% with maturity on September 15, 2005; and Th Ch\$ 22,801 (Th Ch\$ 136,155 in 2003) for overprice, paid in the acquisition of these bonds, which that 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 their investment value plus the interest and adjustments accrued at the end of the fiscal year.

Within Other Assets, as of June 30, 2004 there is a balance for issue expenses of bond series C and D carried out by Cristalerias, that amounts Th Ch\$ 823,125 (Th Ch\$ 956,326 in 2003) and negative goodwill as a result of their placement of Th Ch\$ 2,195,227 (Th Ch\$ 2,404,145 in 2003).

19. Short-term obligations with banks and financial institutions

a) Short-term obligations with Banks and Financial Institutions

As of June 30, 2004 and 2003, there are not short-term bank obligations.

b) Current Portion of Long-term obligations with Banks and Financial Institutions

A detail of operations is shown on the attached chart.

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CRISTALERIAS DE CHILE S.A.

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		Yen	
		06-30-2004	06-30-2003	06-30-2004	06-30-2003	06-30-2004	06-30-2003
Short term (code: 5.21.10.10)							
Long Term - Short Term (code: 5.21.10.20)							
0-E	J.P Morgan Chase Bank	139,500	156,829	0	0	0	0
	Others	0	0	0	0	0	0
	TOTAL	139,500	156,829	0	0	0	0
	Capital amount due	0	0	0	0	0	0
	Average annual interest rate	2.05	2.1125	0	0	0	0
	Percentage oblig. foreign curr.(%)	100.0000					
	Percentage oblig. foreign curr.(%)	0.0000					

R.U.T.	Bank or Financial Institution	U.F.		\$ Non adjustable		Total	
		06-30-2004	06-30-2003	06-30-2004	03-31-2003	06-30-2004	06-30-2003
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	0	0	139,500	139,500
	Others	0	0	0	0	0	0
	TOTAL	0	0	0	0	139,500	139,500
	Capital amount due	0	0	0	0	0	0
	Average annual interest rate	0	0	0	0	0	0
	Percentage oblig. foreign curr.(%)	100.0000					
	Percentage oblig. foreign curr.(%)	0.0000					

20. Other Current Liabilities

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As of June 30, 2004 , there was a balance in favor of financial institutions of Th Ch\$ 1,718,914 (Th Ch\$ 4,995,904 in 2003), corresponding to Future Contracts subscribed by the Company, more detail is found in Note 34 under Derivative Contracts.

21. Long term liabilities 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  
Long-term Obligations With Banks and Financial Institution

R.U.T.	Bank or Financial Institution	Adjustment index currency	Current period Previous period			Maturity
			From 1 to 2 M\$	From 2 to 3 M\$	From 3 to 5 M\$	
0-E	J.P. Morgan Chase Bank	Dollars	7,953,750	15,907,500	7,953,750	
		Euros	-	-	-	
		Yen	-	-	-	
		UF	-	-	-	
		Non-adj.CH\$	-	-	-	
		Others	-	-	-	
	Total		7,953,750	15,907,500	7,953,750	
Porcentaje de obligaciones en moneda extranjera			100.00%			
Porcentaje de obligaciones en moneda nacional			0.00%			

R.U.T.	Bank or Financial Institution	Adjustment index currency	Closing date Current period		Average annual interest rate	Closing date Previous period	
			Total Long-Term at closing of Financial Statements	Total Long-Term at closing of Financial Statements		Total Long-Term at closing of Financial Statements	Total Long-Term at closing of Financial Statements



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0-E	J.P. Morgan Chase Bank	Dollars	31,815,000	2.05	35,165,736
		Euros	-	-	-
		Yen	-	-	-
		UF	-	-	-
		Non-adj.CH\$	-	-	-
		Others	-	-	-
	Total		31,815,000	-	35,165,736

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 June 30, 2004, there are obligations with the public for UF 4,100,000, equivalent to Th Ch\$ 69,761,295 (Th Ch\$ 69,951,855 in 2003), divided in series C1, C2, D1, D2 with a 4.75% annual interest rate in series C and of 5.80% in series D, respectively, that is presented in the long term.

In short term there is a balance of Th Ch\$ 1,688,964 (Th Ch\$ 1,683,436 in 2003) corresponding to accrued interests of UF 99,263.51

Series C bonds have a maturity of 6 years, with amortizations beginning 2 years from the date of issue. Series D bonds have a maturity of 21 years, with amortization beginning 6 years from the date of issue.

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	FIN MATUR
LONG-TERM BONDS-CURRENT PORTION					
296-09.07.02	C1 Interests	0	UF	4.75	07-15-
296-09.07.02	C2 Interests	0	UF	4.75	07-15-
296-09.07.02	D1 Interests	0	UF	5.80	07-15-
296-09.07.02	D2 Interests	0	UF	5.80	07-15-
TOTAL CURRENT PORTION					
LONG-TERM BONDS					
296-09.07.02	C1	1,500,000	UF	4.75	07-15-

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296-09.07.02	C2	500,000	UF	4.75	07-15-
296-09.07.02	D1	1,900,000	UF	5.80	07-15-
296-09.07.02	D2	200,000	UF	5.80	07-15-

LONG-TERM TOTAL

REGISTRATION OR IDENTIFICATION No. OF INSTRUMENT	INSTALLMENTS		PAR VALUE		ISSU IN CHIL ABRO
	INTEREST PAYMENT	AMORTIZATION PAYMENT	06-30-2004	06-30-2003	
LONG-TERM BONDS-CURRENT PORTION					
296-09.07.02	SEMI-ANNUAL	SEMI-ANNUAL	555,855	554,036	LO
296-09.07.02	SEMI-ANNUAL	SEMI-ANNUAL	185,285	184,678	LO
296-09.07.02	SEMI-ANNUAL	SEMI-ANNUAL	857,555	854,748	LO
296-09.07.02	SEMI-ANNUAL	SEMI-ANNUAL	90,269	89,974	LO
TOTAL CURRENT PORTION			1,688,964	1,683,436	
LONG-TERM BONDS					
296-09.07.02	SEMI-ANNUAL	SEMI-ANNUAL	25,522,425	25,592,142	LO
296-09.07.02	SEMI-ANNUAL	SEMI-ANNUAL	8,507,475	8,530,714	LO
296-09.07.02	SEMI-ANNUAL	SEMI-ANNUAL	32,328,405	32,416,713	LO
296-09.07.02	SEMI-ANNUAL	SEMI-ANNUAL	3,402,990	3,412,286	LO
LONG-TERM TOTAL			69,761,295	69,951,855	

23. Reserves and Write-offs

Reserves:

As of June 30, 2004, the Company has short-term reserves of Th Ch\$ 7,170,405 and Th Ch\$ 4,128,088 in 2003.

In the Long-term, reserves recorded are of Th Ch\$ 6,417,630 and Th Ch\$ 7,578,300 respectively as of June 30 2004 and 2003.

Provisioned amounts are exposed in the annexed chart.

a) Reserves for Bad Debt:

The Company has established a reserve for bad debts of Th Ch\$ 143,127, and Th Ch\$ 143,986, respectively, as of June 30, 2004 and 2003.

This reserve is deducted from the balance of debtors from sales, as stated in note 5.

b) Vacation Reserve:

The Company has established a reserve for the total cost of vacations pending as of June 30, 2004 and 2003, as established in Technical Bulletin No. 47 of the Accountants Association of Chile A.G.

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The net balance for this item amounts to Th Ch\$ 367,771 as of June 30, 2004 (Th Ch\$ 311,482 in 2003).

c) Reserve for Furnace Reconstruction:

This reserve is established throughout the useful life of the refractants of each smelting furnace, so their repair will not have a distort the result of the fiscal year when the repairs are made.

The Company has established a reserve for this item in the amount of Th Ch\$ 4,194,934 and Th Ch\$ 3,441,103 as of June 30, 2004 and 2003, respectively.

An itemized list of the amounts provided is shown in the annexed chart.

Cristalerias de Chile S.A.

Note	Reserves and Write-offs	06/30/2004	06/30/2003
	Short term		
	Packing for Client Return	1,265,054	1,125,820
	Furnace Reconstruction	1,997,982	0
	Board Share	285,011	118,306
	Reserve Spare Parts	438,189	449,065
	Legal Holiday	367,771	311,482
	Severance Pay	185,502	183,430
	Reserve Subsidiary Losses	1,811,220	1,078,575
	Provision Indirect Expenses	492,914	463,354
	Provision Legal Gratification	77,432	67,575
	Other Reserves	249,330	330,481
	<b>Total short term</b>	<b>7,170,405</b>	<b>4,128,088</b>
	Long term		
	Severance Pay	4,220,678	4,137,197
	Furnace Reconstruction	2,196,952	3,441,103
	<b>Total long term</b>	<b>6,417,630</b>	<b>7,578,300</b>

### 24. Severance Payments

The reserve for severance payments to personnel is included at its current value, as expressed in note 2 r). As of June 30, 2004 it amounts Th Ch\$ 4,406,180 (Th Ch\$ 4,320,627 in 2003).

As of June 30, 2004 and 2003 the company has made severance payments of Th Ch\$ 135,042 and Th Ch\$ 34,375 chargeable against the reserve, respectively.

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25. Other long-term liabilities

As of June 30, 2004 and 2003 there are no balances for this item.

26. Minority interest

Not applicable to individual financial statements.

27. Changes in Equity

a. Activity in 2004 and 2003

The activity of the capital and reserve accounts in the fiscal years ended in June 30, 2004 and 2003, are shown in the attached charts.

b. Other Reserves

The detail of this item is as follows:

	2004	2003
	Th Ch\$	Th Ch\$
Future capital increases	4,564,803	4,376,765
Reserve for adjustment of value of fixed assets	1,453,572	1,635,616
Adjustment for conversion difference in investment in Rayen Cura S.A.I.C.	1,481,022	3,142,699
	-----	-----
TOTAL OTHER RESERVES	7,499,397	9,155,080
	=====	=====

CRISTALERIAS DE CHILE S.A.

NOTE 27: CHANGES IN NET WORTH

Paid-in Capital	Reserve capital revaluation	Premium in sale of shares	Other Reserves
-----	-----	-----	-----

Balances as of 06-30-2004

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Initial balance	65,396,749	0	27,874,377	6,421,900
Distribution result previous fiscal year	0	0	0	0
Final dividend previous fiscal year	0	0	0	0
Capital increases with cash stock issue	0	0	0	0
Reserves and/or Profits Capitalization	0	0	0	0
Development period Accumulated deficit	0	0	0	0
Accumulated conversion difference adjustment	0	0	0	1,026,122
Owner's equity Revaluation	0	523,174	222,995	51,375
Fiscal Year Result	0	0	0	0
Provisional Dividends	0	0	0	0
Final balances	65,396,749	523,174	28,097,372	7,499,397
Balances as of 06-30-2003				
Initial balance	64,749,257	0	27,598,393	9,713,099
Distribution result previous fiscal year	0	0	0	0
Final dividend previous fiscal year	0	0	0	0
Capital increases with cash stock issue	0	0	0	0
Reserves and/or profit Capitalization	0	0	0	0
Development period accumulated deficit	0	0	0	0
Accumulated conversion difference adjustment	0	0	0	-719,466
Owner's equity revaluation	0	712,242	303,583	106,844
Fiscal Year Result	0	0	0	0
Provisional Dividends	0	0	0	0
Final balances	64,749,257	712,242	27,901,976	9,100,477
Updated balances	65,137,753	716,515	28,069,388	9,155,080

	Reserve Future Dividends	Accumulated Results	Provisional Dividends	Devel. Period Deficit
	-----	-----	-----	-----
Balances as of 06-30-2004				
Initial balance	123,160,119	6,426,520	-958,080	0
Distribution result previous fiscal year	5,468,440	-6,426,520	958,080	0
Final dividend previous fiscal year	-1,612,800	0	0	0
Capital increases with cash stock issue	0	0	0	0
Reserves and/or Profits Capitalization	0	0	0	0
Development period Accumulated deficit	0	0	0	0
Accumulated conversion difference adjustment	0	0	0	0
Owner's equity Revaluation	1,104,514	0	0	0
Fiscal Year Result	0	0	0	0
Provisional Dividends	0	0	-1,280,000	0
Final balances	128,030,273	0	-1,280,000	0
Balances as of 06-30-2003				
Initial balance	114,912,655	17,660,662	-3,303,936	0
Distribution result previous fiscal year	14,356,726	-17,660,662	3,303,936	0
Final dividend previous fiscal year	-5,526,400	0	0	0
Capital increases with cash stock issue	0	0	0	0
Reserves and/or profit Capitalization	0	0	0	0
Development period accumulated deficit	0	0	0	0
Accumulated conversion difference adjustment	0	0	0	0

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Owner's equity revaluation	1,449,595	0	0	0
Fiscal Year Result	0	0	0	0
Provisional Dividends	0	0	-960,000	0
Final balances	125,192,576	0	-960,000	0
Updated balances	125,943,731	0	-965,760	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 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
-----	-----	-----
SINGLE	65,396,749	65,396,749

28. Other Non-operating Income and Expenses

As of June 30, 2004 non-operating income totaled Th Ch\$ 302,039 and Th Ch\$ 198,321 in 2003.

Non-operating expenses amounted to Th Ch\$ 498,015 in 2004 and Th Ch\$ 449,378 in 2003.

Greater detail is shown in the annexed chart.

Non-operating Income and Expenses

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CRISTALERIAS DE CHILE S.A.

NOTE 28: OTHER NON-OPERATING INCOME AND EXPENSES

	2004		2003	
	-----	-----	-----	-----
	Th	Ch\$	Th	Ch\$
INCOME				
Offices and establishments rental	82,879		88,404	
Sale of fixed assets	8,588		3,687	
Sale of materials	6,084		7,157	
Agricultural Division	15,519		55,783	
Amortization of non-realized profits	16,590		16,573	
Sundry income	172,379		26,717	
<b>TOTAL NON-OPERATING INCOME</b>	<b>302,039</b>		<b>198,321</b>	
EXPENSES				
Professional advice	311,651		311,341	
Other expenses	133,087		90,517	
Insurances	24,917		21,968	
Expenses ADR'S	28,360		25,552	
<b>TOTAL NON-OPERATING EXPENSES</b>	<b>498,015</b>		<b>449,378</b>	

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 of Th Ch\$ 276,582 and of Th Ch\$ 388,966 in 2003 fiscal year.

Additional information ordered by balance item is shown in the annexed chart.

Cristalerias de Chile S.A.

NOTE 29: ADJUSTMENT FOR PRICE LEVEL RESTATEMENTS

ASSETS (DEBITS)/CREDITS	ADJUSTABILITY INDEX	06-30-2004	06-30-2003
-----	-----	-----	-----
INVENTORY	Consumer Price Index	99,463	72,000
FIXED ASSET	CPI	913,615	733,000

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INVESTMENTS IN RELATED COMPANIES	CPI	1,164,540	1,628,
MARKETABLE SECURITIES	CPI	33,236	42,
SHORT TERM DEBTORS	CPI	1,293	1,
ACCOUNTS RECEIVABLE RELATED COMPANIES	UF	117,495	296,
LONG-TERM DEBTORS	UF	2,543	2,
SHORT TERM DEBTORS	UF	1,131	
OTHER NON-MONETARY ASSETS	CPI	36,928	43,
EXPENSE AND COST ACCOUNTS	CPI	87,057	892,
TOTAL (DEBITS)/CREDITS	-	2,457,301	3,713,
LIABILITIES (DEBITS)/ CREDITS			
NET WORTH	CPI	-1,812,057	-2,587,
ACCOUNTS RECEIVABLE RELATED COMPANIES	UF	13	
SHORT-TERM RESERVES	CPI	-71,961	-18,
SHORT -TERM CREDITORS	CPI	0	
LONG-TERM RESERVES	CPI	-79,482	-54,
PUBLIC OBLIGATION	UF	-389,295	-889,
LONG-TERM CREDITORS	CPI	-237	-
NON-MONETARY LIABILITIES	CPI	-128,680	-90,
INCOME ACCOUNTS	CPI	-252,184	-460,
TOTAL (DEBITS)/ CREDITS	-	-2,733,883	-4,102,
(LOSS) PROFIT FROM ADJUSTMENT FOR PRICE LEVEL RESTATEMENT		-276,582	-388,

30. Exchange Differences

A net credit against results was made due to exchange rate differences of Th Ch\$ 1,391,248 in 2004 and a net charge of Th Ch\$ 3,617,428 in 2003.

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

Further information is shown on the table attached.

Cristalerias de Chile S.A.

NOTE 30: EXCHANGE DIFFERENCES

ITEM	CURRENCY	AMOUNT	
-----	-----	-----	-----
		06-30-2004	06-30-2003
		-----	-----



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FIXED (DEBITS) CREDITS			
AVAILABLE	DOLLARS	7,524	-15,158
MARKETABLE SECURITIES	DOLLARS	1,742,267	-1,508,055
MARKETABLE SECURITIES	EURO	1,157,849	0
TIME DEPOSITS	DOLLARS	0	-185,532
INVENTORY	DOLLARS	8,004	-15,660
BONDS INSTALLMENT	DOLLARS	573,673	-588,092
SUNDRY DEBTORS	DOLLARS	6,308	-9,738
OTHER ASSETS	DOLLARS	531,328	-12,995
ADJUSTMENT EFFECT OF INFLATION	DOLLARS	-194,685	-124,018
TOTAL (DEBITS) CREDITS		3,832,268	-2,459,248
LIABILITIES (DEBITS) CREDITS			
NOTES PAYABLE	DOLLARS	-19,254	85,210
NOTES PAYABLE	OTHER CURRENCY	1,892	7,235
SUNDRY CREDITORS - SHORT TERM	DOLLARS	-40,954	22,013
LONG- TERM BANK LOANS	DOLLARS	-2,125,000	980,347
SHORT-TERM RESERVES	DOLLARS	-133,450	0
LONG-TERM RESERVES	DOLLARS	-127,586	61,448
SUNDRY CREDITORS - LONG TERM	DOLLARS	-8,247	3,943
OTHER LIABILITIES	DOLLARS	-136,961	0
ADJUSTMENT FUTURE CONTRACTS	DOLLARS	30,112	-2,754,341
ADJUSTMENT EFFECT OF INFLATION	DOLLARS	118,428	435,965
TOTAL (DEBITS) CREDITS		-2,441,020	-1,158,180
(LOSS) PROFIT FROM EXCHANGE DIFFERENCE		1,391,248	-3,617,428

31. Extraordinary Items

As of June 30, 2004 and 2003, there are no transactions for this item.

32. Share and Debt Instruments Issue and Placement Expenses

On August 2002 the company placed bonds for UF 4,100,000, series C1, C2, D1 and D2, which resulted in issue expenses and rate differential for placement of Th Ch\$ 3,344,433 as of June 30, 2004 (Th Ch\$ 3,687,857 in 2003). The amortization is been done according to the maturity of each series.

There are Th Ch\$ 326,081 (Th Ch\$ 327,387 in 2003) under other current assets and Th Ch\$ 3,018,352 (Th Ch\$ 3,360,470 in 2003) other long term assets respectively.

The charge to results for its amortization amounted Th Ch\$ 164,859 in 2004 (Th Ch\$ 163,495 in 2003).

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DETAIL	Short -Term		Long-Term	
	2004	2003	2004	2003
Issue expenses	127,148	127,911	823,125	956,325
Placement rate differences	198,933	199,476	2,195,227	2,404,145
Total	326,081	327,387	3,018,352	3,360,470

33. Cash Flow Statement

CRISTALERIAS DE CHILE S.A.

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

		Jun 2004	Jun 2003
		Th Ch\$	Th Ch\$
		-----	-----
541.11.40	Other income received		
	Exchange different	100,216	293,398
	Discount for Custom Duties	54,737	0
	Loan Adjustment	42,646	0
	Tributary tax exemption	15,000	900,822
	Treasury Reimbursement		0
	Other income	64,795	1,014
	Total	277,394	1,195,234
541.11.80	Other expenses paid		
	Exchange difference	149,150	2,084,888
	Donations	41,663	25,849
	Advice services		0
	Contracts finished		0
	Board participacion Directorio	0	0
	Other expenses	4,381	6,163
	Total	195,194	2,116,900
541.13.30	Other income from investments		
	Maturity of future contracts		1,476,576
	Total	0	1,476,576
541.13.65	Other investment disbursements		
	Purchase of shares		319,759
	Future Contracts		308,049
	Total	0	627,808

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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 \$ -----	Maturity -----
Dividend 158	1,280,000	July -2004
Amounts payable investment	537,365	2nd Semester
TOTAL	1,817,365	

34. Derivative Contracts

The company has signed purchase and sale future contracts in foreign currency of Th US\$ 37,600 and sale future contracts in foreign currency Th US\$ 37,600 and Th US\$ 60,600, respectively (purchase of Th Ch\$ 109,600 as of June 30, 2003) subject to the regulations of 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.

As of June 30, 2004 there was a difference in favor of financial institutions of Th Ch\$ 1,718,914 (Th Ch\$ 4,995,904 in 2003) which is classified under Other Current Liabilities.

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NOTE 34: DERIVATIVE CONTRACTS

TYPE OF DERIVATIVE	TYPE OF CONTRACT	VALUE OF CONTRACT	MATURITY OR EXPIRATION DATE	DESCRIPTION OF CONTRA		
				SPECIFIC ITEM	PURCHASE/ SALE POSITION	PROT T NAM
-----	-----	-----	-----	-----	-----	-----

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TYPE OF DERIVATIVE	TYPE OF CONTRACT	VALUE OF CONTRACT	VALUE OF PROTECTED ITEM	ACCOUNTS AFFECTED		
				ASSETS/LIABILITIES	AMOUNT	REALI
FR	CI	25,992,590	THIRD 2004	EXCHANGE RATE	P	-
FR	CI	36,977,320	THIRD 2004	EXCHANGE RATE	S	-
FR	CI	1,931,256	FOURTH 2004	EXCHANGE RATE	S	-

  

TYPE OF DERIVATIVE	TYPE OF CONTRACT	VALUE OF CONTRACT	VALUE OF PROTECTED ITEM	ACCOUNTS AFFECTED		
				ASSETS/LIABILITIES	AMOUNT	REALI
FR	CI	25,992,590	0	LIABILITIES	2,067,710	-2,067
FR	CI	36,977,320	0	ASSETS	326,444	326
FR	CI	1,931,256	0	ASSETS	22,352	22

Analysis of Forward Contracts in foreign currency as of 06.30.2004

INSTITUTION	DATE	FUTURE VALUE	
		Investment	Maturity
		Exchange US\$	US\$
PURCHASE			
Citibank NA.	09-08-2003	09-02-2004	2,000
Deutsche Bank (Chile) S.A.	09-04-2003	09-03-2004	15,000
Bank Boston	09-10-2003	09-06-2004	2,000
Deutsche Bank (Chile) S.A.	09-08-2003	09-07-2004	2,000
Deutsche Bank (Chile) S.A.	09-08-2003	09-07-2004	1,800
Deutsche Bank (Chile) S.A.	09-10-2003	09-09-2004	2,800
Deutsche Bank (Chile) S.A.	09-10-2003	09-09-2004	2,000
Banco Chile	09-11-2003	09-06-2004	3,000
Banco Chile	09-15-2003	09-09-2004	3,500
Banco Santander	09-15-2003	08-16-2004	3,500
Total Purchase			37,600
SALES			
Bank Boston	10-14-2003	09-09-2004	4,800
Banco Santander	10-21-2003	09-07-2004	2,000
Deutsche Bank (Chile) S.A.	10-22-2003	09-09-2004	2,000
Banco Santander	10-22-2003	09-09-2004	1,500
Citibank	10-22-2003	09-07-2004	1,800
Deutsche Bank (Chile) S.A.	10-23-2003	09-02-2004	2,000

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Banco Santander	10-23-2003	09-03-2004	642.20	6,000
Deutsche Bank (Chile) S.A.	10-24-2003	09-03-2004	642.50	2,000
Deutsche Bank (Chile) S.A.	10-24-2003	09-03-2004	643.00	2,000
Deutsche Bank (Chile) S.A.	10-24-2003	09-03-2004	644.00	1,000
Deutsche Bank (Chile) S.A.	10-24-2003	09-03-2004	644.50	1,000
Banco Santander	10-27-2003	09-03-2004	643.35	2,000
Deutsche Bank (Chile) S.A.	10-27-2003	09-03-2004	645.50	1,000
Deutsche Bank (Chile) S.A.	10-28-2003	08-16-2004	641.50	1,000
Banco Santander	10-28-2003	08-16-2004	642.12	2,500
Banco Santander	10-28-2003	09-06-2004	645.55	2,000
Deutsche Bank (Chile) S.A.	11-06-2003	09-06-2004	637.40	1,000
Banco Santander	11-12-2003	09-06-2004	638.35	1,000
Deutsche Bank (Chile) S.A.	11-18-2003	09-06-2004	634.30	1,000
Deutsche Bank (Chile) S.A.	05-18-2004	08-16-2004	642.50	1,000
Deutsche Bank (Chile) S.A.	05-17-2004	08-16-2004	642.50	2,500
Deutsche Bank (Chile) S.A.	05-18-2004	08-16-2004	641.50	1,000
Deutsche Bank (Chile) S.A.	05-20-2004	08-23-2004	643.30	4,000
Deutsche Bank (Chile) S.A.	05-20-2004	08-18-2004	643.30	4,000
Deutsche Bank (Chile) S.A.	05-24-2004	09-01-2004	640.50	1,500
Deutsche Bank (Chile) S.A.	05-24-2004	08-23-2004	641.00	1,000
Deutsche Bank (Chile) S.A.	05-26-2004	09-03-2004	640.50	2,000
Deutsche Bank (Chile) S.A.	05-26-2004	09-03-2004	641.20	3,000
Deutsche Bank (Chile) S.A.	06-04-2004	10-04-2004	646.30	3,000
Subtotal Sale				60,600
Total as of June 30 2004				-23,000

### 35. Contingencies and Restrictions

As of June 30, 2004, there is a guarantee delivered in the amount of Th Ch\$ 15,822 and Th Ch\$ 7,999 in 2003, according to the detail in the attached chart.

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

As of June 30, 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, the following specific financial obligations exist:

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

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

Capitalization is described as the sum of Net Worth plus minority interests

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plus total consolidated debt.

### b) NET CONSOLIDATED DEBT TO EBITDA RATIO

Cristalerias de Chile S.A will not allow the Total Non-consolidated Debt to EBITDA Ratio to exceed the 2.5 to 1.0 relation at any time.

EBITDA is described as the sum of 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 aggregated 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 4,0.

Interest coverage is defined as interests at the day of the respective determination, the ratio between non consolidated EBITDA for the period of 4 consecutive fiscal quarters that ends on, or most recently ended before, that date, and interest expenses for that period.

### d) NET EQUITY

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

Cristalerias de Chile S.A. complies with 100% of the restrictions imposed by the banks.

### BOND ISSUE

At of May 29, 2002 the contract of bonds issue was signed with Banco Chile as the bond owner's representative, established the following obligations:

#### a) Financial Indicators

Individual Balance: Leverage not higher than 1.2 times.

Consolidate Balance: Leverage not higher than 1.4 times.

#### b) Insurances for fixed assets of the company and its subsidiaries.

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

#### d) Other restrictions related with contract of the bonds issued.

Cristalerias de Chile S.A. complies with 100% of the restrictions imposed by the bonds creditors.

### OTHER CONTINGENCIES

As of June 30, 2004 and 2003, management is not aware of any other contingencies that could affect the company.

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CRISTALERIAS DE CHILE S.A.

NOTE 35: CONTINGENCIES AND RESTRICTIONS - DIRECT GUARANTEES

CREDITOR OF GUARANTEE	DEBTOR		TYPE OF GUARANTEE	ASSETS COMMITTED		BALANCES PENDING PAYMENT AS OF CLOSING DATE OF FINANCIAL STATEMENT	
	NAME	RELATIONSHIP		TYPE	BOOK VALUE	06-30-2004	06-30-2005
EDIFICIO METROPOLIS AGF	CRISTALERIAS DE CHILE S.A.	COMMERCIAL	DEPOSIT	FLOOR	15,822	15,822	7,000

CREDITOR OF GUARANTEE	DEBTOR		RELEASE OF GUARANTEES				
	NAME	RELATIONSHIP	06-30-2005	ASSETS	06-30-2006	ASSETS	06-30-2007
EDIFICIO METROPOLIS AGF	CRISTALERIAS DE CHILE S.A.	COMMERCIAL	-	-	-	-	15,822

CRISTALERIAS DE CHILE S.A.

NOTE 35: CONTINGENCIES AND RESTRICTIONS - INDIRECT GUARANTEES

CREDITOR OF GUARANTEE	DEBTOR	TYPE OF GUARANTEE	ASSETS COMMITTED	BALANCES PENDING PAYMENT AS OF CLOSING DATE OF FINANCIAL STATEMENT	
				06-30-2004	06-30-2005

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	NAME	RELATIONSHIP	TYPE	BOOK VALUE	06-30-2004
Societe de Participations Financieres et Industrielles	Rayen Cura S.A.	Affiliate	Solidary	-	1,832,545
Envases CMF	Cristalerias de Chile S.A.	Affiliate	Solidary	-	207,423

CREDITOR OF GUARANTEE	DEBTOR	RELEASE OF GUARANTEES					
		06-30-2005	ASSETS	06-30-2006	ASSETS	06-30-2007	ASSETS
Societe de Participations Financieres et Industrielles	Rayen Cura S.A.	733,018	-	733,018	-	-	-
Envases CMF	Cristalerias de Chile S.A.	-	-	-	-	-	-

36. Guarantees obtained from third parties

As of June 30, 2004 and 2003 the Company has received guarantees from third parties, which are shown below:

ITEM	2004		2003	
	Th	Ch\$	Th	Ch\$
Real Estate Lease Security Bank UF 304	5,173		5,186	
Real Estate Lease to Telecomunicaciones and Services Cono Sur Ltda. UF 130	0		2,218	
Real Estate Lease AGF Building UF 365.9	6,226		6,242	
Real Estate Lease Metropolis Building UF 189.2	3,219		3,228	
Real Estate Lease Cafe Sur Andino UF 260	4,424		0	



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Suppliers Sight Drafts	1,674	1,684
TOTAL	20,716	18,558

37. Local and Foreign Currency

Charts are attached showing the foreign currency balance as of June 30, 2004 and 2003.

Cristalerias de Chile S.A.

NOTE 37: LOCAL AND FOREIGN CURRENCY -

ASSETS

ITEMS	Currency	Amount	
		06-30-2004	06-30-2003
Current Assets			
CASH	Non-adjust Ch\$	1,327,448	1,295,444
CASH	Dollars	144,118	509,673
TIME DEPOSITS	Dollars	0	10,445,036
MARKETABLE SECURITIES	Adjustable Ch\$	4,187,786	4,183,939
MARKETABLE SECURITIES	Dollars	26,119,132	54,372,054
MARKETABLE SECURITIES	Non-adjust. Ch\$	176,393	194,133
DEBTORS FROM SALES	Non-adjust. Ch\$	18,766,519	14,697,104
DOCUMENTS RECEIVABLE	Non-adjust. Ch\$	995,423	1,673,336
MISCELLANEOUS DEBTORS	Adjustable Ch\$	108,345	93,486
MISCELLANEOUS DEBTORS	Non-adjust. Ch\$	51,033	13,923
MISCELLANEOUS DEBTORS	Dollars	668,952	567,918
DOC.&ACTS. REC. REL. CO'S.	Non-adjust. Ch\$	4,890,723	2,151,322
DOC.&ACTS. REC. REL. CO'S.	Adjustable Ch\$	1,361	15,821
STOCK	Adjustable Ch\$	4,893,052	4,082,039
STOCK	Dollars	2,085,677	2,600,488
REFUNDABLE TAX	Adjustable Ch\$	1,126,358	1,276,166
EXPENSES PAID IN ADVANCE	Dollars	311,513	334,727
DEFERRED TAXES	Non-adjust Ch\$	843,755	362,459
OTHER CURRENT ASSETS	Non-adjust Ch\$	6,850,685	4,085,704
OTHER CURRENT ASSETS	Dollars	261,775	561,647
OTHER CURRENT ASSETS	Adjustable Ch\$	326,081	327,389
TIME DEPOSITS	Non-adjust. Ch\$	5,004,267	0
MARKETABLE SECURITIES	Euro	29,132,370	0
EXPENSES PAID IN ADVANCE	Non-adjust. Ch\$	28,136	0
Fixed Assets			
FIXED ASSETS	Adjustable Ch\$	75,449,358	80,614,276
Other Assets			
INVESTMENT REL. CO'S.	Adjustable Ch\$	145,666,038	144,970,802
NEG. INVESTMENT GOODWILL	Adjustable Ch\$	1,821,374	1,992,171
LONG-TERM DEBTORS	Adjustable Ch\$	119,106	151,965
L-T DOC. REC. REL. CO'S.	Adjustable Ch\$	21,152,513	21,994,506
OTHERS	Dollars	8,561,947	9,574,639

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OTHERS	Adjustable Ch\$	2,195,227	3,360,471
OTHERS	Non-adjust. Ch\$	823,125	0
L-T DOC. REC. REL. CO'S.	Non-adjust. Ch\$	855,171	0
Total Assets			
	Non-adjust. Ch\$	40,612,678	24,473,425
	Dollars	38,153,114	78,966,182
	Adjustable Ch\$	257,046,599	263,063,031
	Euro	29,132,370	0

Cristalerias de Chile S.A.

NOTE 37: LOCAL AND FOREIGN CURRENCY -

CURRENT LIABILITIES

ITEM	Currency	Up to 90 days			
		06-30-2004		06-30-	
		Amount	Avg. Annual Int. Rate	Amount	
		Thou Ch\$		Thou Ch\$	
Current Liabilities					
Long-Term Obligations	Dollars	139,500	2.05	156,829	
1-year maturity					
Long-Term Obligations with public	Adjustable Ch\$	741,140	4.75	738,715	
	Adjustable Ch\$	947,824	5.80	944,721	
Dividend Payable	Non-adjust. Ch\$	651,595	-	509,838	
Accounts Payable	Non-adjust. Ch\$	2,251,469	-	3,410,613	
Documents Payable	Dollars	2,575,956	-	2,760,113	
Documents Payable	Other Currencies	4,269	-	556,202	
Miscellaneous Creditors	Non-adjust. Ch\$	222,426	-	218,512	
Miscellaneous Creditors	Dollars	613,151	-	789,627	
Doc. and Accts. Payable rel Co	Non-adjust. Ch\$	939,803	-	672,972	
Doc. and Accts. Payable rel Co	Adjustable Ch\$	1,761	-	3,549	
Reserves	Adjustable Ch\$	367,771	-	311,482	
Reserves	Non-adjust. Ch\$	4,619,150	-	3,633,176	
Withholding	Non-adjust. Ch\$	661,448	-	390,574	
Other Current Liabilities	Dollars	1,718,914	-	0	
Other Current Liabilities	Adjustable Ch\$	0	-	4,995,904	
Reserves	Dollars	0	-	0	
Total Current Liabilities					
	Dollars	5,047,521	-	3,706,569	
	Adjustable Ch\$	2,058,496	-	6,994,371	
	Non-adjust. Ch\$	9,345,891	-	8,835,685	
	Other Currencies	4,269	-	556,202	

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ITEM	Currency	90 Days to 1 Year			
		06-30-2004		06-30-	
		Amount	Avg.	Amount	
		Annual			
		Thou Ch\$	Int. Rate	Thou Ch\$	I
-----					
Current Liabilities					
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	-	-	-	
Documents Payable	Other Currencies	-	-	-	
Miscellaneous Creditors	Non-adjust. Ch\$	-	-	-	
Miscellaneous Creditors	Dollars	-	-	-	
Doc. and Accts. Payable rel Co	Non-adjust. Ch\$	-	-	-	
Doc. and Accts. Payable rel Co	Adjustable Ch\$	-	-	-	
Reserves	Adjustable Ch\$	185,502	-	183,430	
Reserves	Non-adjust. Ch\$	-	-	-	
Withholding	Non-adjust. Ch\$	-	-	-	
Other Current Liabilities	Dollars	-	-	-	
Other Current Liabilities	Adjustable Ch\$	-	-	-	
Reserves	Dollars	1,997,982	-	-	
Total Current Liabilities					
	Dollars	1,997,982	-	-	
	Adjustable Ch\$	185,502	-	183,430	
	Non-adjust. Ch\$	-	-	-	
	Other Currencies	-	-	-	

Cristalerias de Chile S.A.

NOTE 37: LOCAL AND FOREIGN CURRENCY -

LONG-TERM LIABILITIES CURRENT PERIOD 06-30-2004

ITEM	Currency	1-3 Years		
		Amount	Average	Amo
		Thou Ch\$	Interest Rate	Thou
-----				

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Obligations with Banks and Financial Institutions	Dollars	7,953,750	205	23,861
Obligations with public bond Serie C	Adjust. Ch\$	-	-	
Obligations with public bond Serie D	Adjust. Ch\$	-	-	
Deferred Custom Duties	Dollars	123,473	1225	
Long-term Creditors	Adjust. Ch\$	38,781	-	
Long-term Reserves	Dollars	2,196,952	-	
Long-term Reserves	Adjust. Ch\$	4,220,678	-	
Deferred Taxes	Non-adjust. Ch\$	2,756,681	-	
Total Long-term Liabilities	Dollars	10,274,175	-	23,861
	Adjust. Ch\$	4,259,459	-	
	Non-adjust. Ch\$	2,756,681	-	

ITEM	Currency	5-10 Years		M Thou
		Amount Thou Ch\$	Average Interest Rate	
Obligations with Banks and Financial Institutions	Dollars	-	-	
Obligations with public bond Serie C	Adjust. Ch\$	34,029,900	475	
Obligations with public bond Serie D	Adjust. Ch\$	-	-	35,731
Deferred Custom Duties	Dollars	-	-	
Long-term Creditors	Adjust. Ch\$	-	-	
Long-term Reserves	Dollars	-	-	
Long-term Reserves	Adjust. Ch\$	-	-	
Deferred Taxes	Non-adjust. Ch\$	-	-	
Total Long-term Liabilities	Dollars	-	-	
	Adjust. Ch\$	34,029,900	-	35,731
	Non-adjust. Ch\$	-	-	

Cristalerias de Chile S.A.

NOTE 37: LOCAL AND FOREIGN CURRENCY -

LONG-TERM LIABILITIES PREVIOUS PERIOD 06-30-2003

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ITEM	Currency	1-3 Years		Amount Thou
		Ch\$	Average Interest Rate	
Obligations with banks and financial institutions	Dollars	8,791,434	2.113	26,374
Obligations with public bond Serie C	Adjust. Ch\$	0	-	
Obligations with public bond Serie D	Adjust. Ch\$	0	-	
Long-term Creditors	Dollars	141,433	12.25	
Long-term Creditors	Adjust. Ch\$	45,111	-	
Long-term Reserves	Dollars	3,441,104	-	
Long-term Reserves	Adjustable Ch\$	4,137,196	-	
Deferred Taxes	Non-adjust. Ch\$	2,329,590	-	
Total Long-term Liabilities				
-	Dollars	12,373,971	-	26,374
-	Adjust. Ch\$	4,182,307	-	
-	Non-adjust. Ch\$	2,329,590	-	

ITEM	Currency	5-10 Years		Amount Thou
		Ch\$	Average Interest Rate	
Obligations with banks and financial institutions	Dollars	-	-	
Obligations with public bond Serie C	Adjust. Ch\$	34,122,856	4.75	
Obligations with public bond Serie D	Adjust. Ch\$		-	35,828
Long-term Creditors	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	-	-	
-	Adjust. Ch\$	34,122,856	-	35,828
-	Non-adjust. Ch\$	-	-	

38. Penalties

In the 2004 and 2003 fiscal years no penalties have been applied to the

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Company, the members of the Board or Company Managers by the SVS or other administrative authorities.

### 39. Subsequent Events

On Jun 22, 2004 the Company agreed paying dividend N(degree) 158 of Ch\$ 20 per share over 64,000,000 shares (Th Ch\$ 1,280,000) which was made effective on July 15, 2004.

There have not been subsequent events recorded that could significantly affect the Company's economic and financial situation since the closing date of the financial statements and the issue of this report.

### 40. Environment

Following its permanent concern to preserve the environment, as of June 30, 2004 the Company has paid Th Ch\$ 2,644 for assessments for this concept, which have been charged to 2004 fiscal year result.

During fiscal year 2003 the Company made investments of Th Ch\$ 206,705 which correspond to the purchase of NOX emmissions treatment equipment for new Furnace B.

### 41. TIME DEPOSITS

As of June 30, 2004 and 2003 the Company presents the following information:

INSTITUTION	Currency	2004 Th Ch\$	2003 Th Ch\$
-----	-----	-----	-----
Banco de A. Edwards (Chile)	US\$		2,446,112
Banco Santander	US\$		4,510,021
Banco Deutsche Bank Chile S.A.	US\$		2,397,748
Banco Santander N.Y.	US\$		1,091,155
Banco Santander	\$	5,004,267	0
		-----	-----
TOTAL		5,004,267	10,445,036
		=====	=====

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42. STOCK TRANSACTIONS

During 2004 and 2003 fiscal years, the following stock transactions were carried out by members of the board, controlling stockholders, related individuals and entities.

TRANSACTIONS OF INDIVIDUALS RELATED TO MEMBERS OF THE BOARD

NAME	Initial	2004		2003	
		Purchase	Sale	Purchase	Sale
Asesorias Portofino Ltda.	BSG	21,000	0	0	0
Inmobiliaria Villarrica Ltda.	RCV	181,669	0	0	0
Vial de Claro Maria Luisa	RCV	650	0	0	0

- o BSG related with Director Mr. Baltazar Sanchez
- o RCV related with the President Mr. Ricardo Claro

TRANSACTIONS OF DIRECTORS, MANAGEMENT AND ACCOUNT INSPECTORS

None.

TRANSACTIONS OF MAJORITY SHAREHOLDERS

None.

43. DISTRIBUTION OF SHAREHOLDERS

The distribution of stockholders as of June 30, 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 with investment equal to or higher than 200 UF	65.84	65.83	276	269
Less than 10% shareholding with investment lower than				

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200 UF	0.13	0.14	741	781
TOTAL	100.00	100.00	1,018	1,051
CONTROLLER OF THE COMPANY	52.14	52.14	3	3

### 44. BOARD COMPENSATION

As of June 30, 2004 and 2003 payments were made for compensation and profit sharing in the amount of Th Ch\$ 264,421 and Th Ch\$ 715,991, respectively, according to the following detail:

	2004 ThCh\$ -----	2003 ThCh\$ -----
Share of previous fiscal year profits	257,061	710,664
Compensation for assistance to sessions	5,576	3,977
Compensation for Board Committee	1,784	1,350
	-----	-----
TOTAL	264,421 =====	715,991 =====

On the other hand, reserves were made for participation in profits for fiscal year 2004 in the amount of Th Ch\$ 285,011 (Th Ch\$ 118,306 in 2003).

### RELEVANT EVENTS

On June 23, 2004, the SVS was informed that in the previous day, the Board of the Company had approved a US\$ 210 million investment plan, in order to duplicate the production of glass containers in a 10 year period.

The first stage of the development plan considers the construction of a new plant, equipped with 4 new fabrication lines and a furnace with a production capacity of 360 tons per day, which supposes a US\$ 110 million investment and that would be financed by a combination of internal resources and credits. Start of operations is scheduled for 2006 and will allow to increase the present capacity of production by 35%.

The following stages of expansion imply adding 7 fabrication lines and 2 furnaces with production capacities over 400 tons per day, which will be materialized in successive stages, in line with market needs.



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CRISTALERIAS DE CHILE S.A.

RATIO ANALYSIS OF THE FINANCIAL STATEMENTS AS OF JUNE 30, 2004

1.- FINANCIAL INDICATORS

		06-30-2004 -----	06-30-2003 -----
<b>LIQUIDITY</b>			
Current liquidity	times	5.81	5.12
Acid ratio	times	5.31	4.69
<b>INDEBTEDNESS</b>			
Leverage ratio	times	0.55	0.59
Short-term debt	%	14.39	14.97
Long-term debt	%	85.61	85.03
Interest expenses coverage	times	4.25	1.87
<b>ACTIVITY</b>			
Total assets	MM Ch\$	364,945	366,503
Investments	MM Ch\$	3,179	15,075
Disposal of property	MM Ch\$	49	111
Inventory turnover	times	12.2	16.1
Inventory permanence	days	29.5	22.4
<b>RESULTS</b>			
Sales	MM Ch\$	33,298	33,524
Costs of sales	MM Ch\$	20,400	21,318
Operating income	MM Ch\$	10,135	9,685
Interest expenses	MM Ch\$	2,393	2,484
Non-operating income (loss)	MM Ch\$	(1,449)	(5,986)
E.B.I.T.D.A.	MM Ch\$	15,509	9,402
After-tax income	MM Ch\$	7,125	2,958
<b>PROFITABILITY</b>			
Return on equity	%	3.1	1.3
Return on assets	%	1.9	0.9
Return on operating assets	%	9.6	9.4
Profit per share	\$	111.3	45.9
Return on dividends	%	1.4	2.3

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: Profit 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

E.B.I.T.D.A. Earnings before interest, taxes, depreciation,

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Return on dividends: amortization, and extraordinary items.  
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 indicators of the first half of 2004 are the following:

### LIQUIDITY INDICES

Despite an increase in current assets with respect to December 2003, liquidity indices decrease slightly due to higher provisions and notes payable.

### INDEBTEDNESS INDICES

The indebtedness index remains almost unvaried for the analyzed period.

Indebtedness with banks, which corresponds to syndicated loan of US\$50 million, shows a slight increase in Chilean peso terms, due to the variation of the exchange rate that passed from Ch\$ 593,80 in December 2003 to Ch\$ 636,30 as of June 30, 2004.

The interest expenses coverage ratio shows an increase with respect to the previous year, due to higher net income during the first half of 2004.

### ACTIVITY INDICES

Inventory turnover and permanence deteriorated slightly due to an increase in stock of finished products. This is the result of stationarity of the glass demand.

### RESULTS

The operating result shows an increase with respect to June 2003 due to lower costs of sales.

Likewise, the non-operating result shows a decrease of the loss as a result of the positive exchange differences balance registered during the present semester.

### PROFITABILITY INDICES

Profitability and equity indices show an increase with respect to March and December 2003, due to a higher net income during the present fiscal year.

On the other hand, return on dividends shows a decrease with respect to the previous year, due to a lower dividends distributed during the last 12 months.

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### 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 June 30, 2004, there were financial investments in stocks recorded according to their purchase price of Th Ch\$ 4,188 million, whose market value on the same date was Th Ch\$ 5,410 million.

### 3. RESULTS AS OF JUNE 2004

#### 3a. Individual Result

The Company had non-consolidated sales of Ch\$ 33,298 million, compared to Ch\$ 33,524 million in the previous fiscal year. Volumes sold increased by 7.4%, reaching 120,393 tons., mainly due to higher sales of bottles for wine, the returnable beer and food markets; partially compensated by lower sales to the non-returnable beer, liquor and soft drinks markets. Average prices declined by 7.5%, mainly explained by the strong decrease in the US\$/Peso exchange rate that passed from Ch\$ 723,66 per dollar on average during the first semester of 2003 to Ch\$ 608,22 per dollar on average during the first semester of 2004. Operating income reached Ch\$ 10,135 million, 4.6% over 2003.

Non-operating result was a Ch\$ 1,449 million loss, which compares to a Ch\$ 5,986 million loss in 2003. The former is mainly explained by an income from exchange differences of Ch\$ 1,391 million in 2004, compared to a Ch\$ 3,617 million loss in 2003. During 2004 a higher loss in Cristalchile Comunicaciones (owner of 50% of Metropolis -Intercom) is registered and a lower income in Envases CMF. The former was partially compensated by higher income in CIECSA and Vina Santa Rita.

#### 3b. Result in Subsidiaries

Santa Rita's net income reached Ch\$ 3,553 million, 23.3% over 2003. In the local market, prices increased by 10.0% in real terms, while volumes increased by 9.5%. Sales in this market increased by 20.4% reaching Ch\$ 17,383 million. During the period, export volume sales increased by 6.6%, representing 50.2% of total revenues, in the amount of US\$ 30.0 million (US\$ 26.8 million in 2003). Operating income reached Ch\$4,149 million compared with Ch\$ 4,997 million in 2003, fundamentally due to higher costs of musts and a decrease of the Peso/US\$ exchange rate that affects export returns. Santa Rita's average price in dollars per case for the export market reached US\$ 34.1 (US\$ 32.4 in 2003), while the average price for the industry was US\$ 24.3 per case (US\$ 23.7 in 2003). Santa Rita

had a Ch\$ 364 million non-operating income, compared to a Ch\$ 1,385 million loss in 2003, mainly due to a income from exchange differences of Ch\$ 965 million compared with Ch\$ 740 million loss in 2003.

Red Televisiva Megavision, CIECSA's main subsidiary, registered a Ch\$1,125 million operating income, compared with an Ch\$ 814 million operating income in 2003. MEGA reached the first place in audience with an audience viewership

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share of 25.4% during the period(1) (22.7% in 2003). Net sales increased by 8.3% reaching Ch\$ 12,341 million, due to an increase in live programming, which has resulted in higher audience levels. MEGA had a Ch\$ 811 million net income (Ch\$ 210 million income in 2003). CIECSA's net income was Ch\$ 927 million, compared to Ch\$ 75 million income the previous year.

Envases CMF S.A. registered a Ch\$ 298 million net income in 2004 compared with a Ch\$1,226 million net income in 2003. This is mainly explained by the non-operating result, which during 2003 registered a net income from price level restatement and exchange differences of Ch\$ 435 million, compared to a Ch\$ 205 million loss during the present period. Sales reached Ch\$ 14,941 million during the period compared with Ch\$ 16,375 million in 2003. Volume sales decreased by 4.1%, reaching 10,557 tons, due to a decline in pre forms exports and lower sales of one-way formats; while average prices decreased by 5.1% influenced by the decrease of the Peso/US\$ rate of exchange. As a result the aforementioned operating income reached Ch\$ 1,191 million, compared with Ch\$ 1,615 million in 2003.

In the cable TV area, Cristalchile Comunicaciones S.A. (99.99% owned by Cristalerías), 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\$ 22,186 million, compared with Ch\$ 22,408 million in 2003. Metropolis-Intercom had a net loss of Ch\$ 5,962 million, compared with a net loss of Ch\$ 4,845 million in 2003. This lower result is mainly due to a one-time Ch\$ 775 million charge, that affects the non-operating result of the company. Metropolis-Intercom's EBITDA reached Ch\$3,192 million during the period (Ch\$ 2,944 million in 2003). The latter includes a depreciation charge of Ch\$ 7,338 million (Ch\$ 6,672 million in 2003) corresponding to the HFC network acquired in July 2000. The company ended the period with 223,820 basic subscribers (237,324 in 2003), 28,970 premium service subscribers (33,440 in 2003), 38,503 broadband internet subscribers (31,5% over 2003) and 9,255 IP telephony subscribers.

As a result of the above mentioned and a negative goodwill amortization charge through Cordillera Comunicaciones of Ch\$ 2,088 million during the year (Ch\$ 2,095 million in 2003), Cristalchile Comunicaciones recorded a net loss of Ch\$ 4,041 million (net loss of Ch\$3,468 million in 2003).

### INVESTMENTS

-----  
(1) Measured between 6:30 A.M. and 1:30 A.M. (i.e:19 hours a day) from Monday through Sunday.

On June 23, 2004, Cristalerías de Chile announced that it will invest US\$210 million in a development plan that will allow it to duplicate its glass production installed capacity - from 300 thousand tons per year to 600 thousand tons per year- and adequately attend the increasing demand of its customers.

The initiative, that would be materialized in a term of up to 10 years, was approved unanimously by the Board and contemplates materialization in successive stages, according to market needs.

The first stage of the development plan considers the construction of a new plant, equipped with 4 new fabrication lines and a furnace with production

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capacity of 360 tons per day, that supposes US\$ 110 million investment and that would be financed by a combination of internal resources and credits. Start up of operations is scheduled for 2006 and will allow to increase the present production capacity by 35%.

Following stages of the expansion imply adding 7 fabrication lines and 2 furnaces with production capacities over 400 tons per day.

### 4. CASH FLOW STATEMENT

As of June 30, 2004 a total net positive flow of Ch\$ 9,119 million was generated, which is explained by a positive flow generated by operating activities of Ch\$ 18,827 million, which was decreased by a negative financing flow of Ch\$2,595 million and a negative flow of investment activities for Ch\$7,113 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 financial interests.

The negative financing flow is especially explained by the payment of dividends.

The investment flow is mainly explained by the incorporation of fixed assets for Ch\$ 3,356 million, and loans granted to related companies for Ch\$ 3,805 million.

The above mentioned results in an increase in the final balance of cash and cash equivalent, which passed from Ch\$ 60,480 million as of December 31, 2003 to Ch\$ 69,016 million as of June 30, 2004.

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

### 5. RISKS ANALYSIS

#### a. Interest rates

The Company is exposed to the risk of fluctuations in interest rates on its long-term debt, corresponding to a US\$50 million loan, which was negotiated annual rate of Libor plus 0.8% percentage points. In addition, the Company issued bonds in two series for a total equivalent to 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 June 30, 2004, the Company had available funds in the amount of Ch\$67,545 million, invested at different terms in financial instruments such as time deposits, bonds, fixed rate mutual funds and agreements with resale commitment. That amount does not include Ch\$ 8,539 million in bonds with maturity on September 15, 2005, and an investment in shares for Ch\$ 4,186 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.

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### b. Exchange rate

The Company maintains liabilities in dollars of US\$64.7 million, which represent 11.3% of its assets, and which include a balance of a long-term syndicated loan of US\$50 million.

As of June 30, the Company has investments in dollars of US\$54.9 million in time deposits, bonds and fixed rate mutual funds. In addition, also has investments in EUROS 37.5 million in fixed rate and fixed rent instruments. Likewise it also has Dollar purchase future contracts of US\$37.6 million which are compensated by sale future contracts of US\$ 60.6 million.

On the other hand, approximately 35% of the Company's revenues are adjustment by the exchange rate variation. Costs in foreign currency represent approximately 27% of the 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	6/30/2004
1.00.01.30	Type of Currency	Chilean Pesos
1.00.01.40	Type of Financial Statements	Consolidated

Independent Auditors' Report  
Referred to Interim Consolidated Financial Statements  
As of June 30, 2004

To the Shareholders and Directors of  
Cristalerias de Chile S.A.:

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We have revised the general consolidated balance sheets of Cristalerias de Chile S.A. and subsidiaries as of June 30, 2004 and 2003 and the corresponding consolidated statements of income and cash flows for the six months periods ended on those dates. These financial statements and their corresponding notes are the responsibility of Cristalerias de Chile S.A. and subsidiaries' management. The Ratio Analysis and Relevant Events attached are not part of these financial statements; therefore this report does not extend to them.

We have effected our revisions in accordance with audit norms established in Chile for a revision of interim financial information. A revision of interim financial information consists mainly in applying analytic revision procedures of the financial statements and effect inquiries to the responsible financial and accounting personnel. The extent of this revision is substantially lower than an audit effected according to generally accepted accounting principles in Chile, in which case the objective is to express an opinion on financial statements as a whole. Consequently, the interim consolidated financial statements as of June 30, 2004 and 2003 have not been audited and, therefore, we are not in condition for expressing, nor we express an opinion.

Based on our revision of the interim consolidated financial statements as of June 30, 2004 and 2003, we have no knowledge of significant adjustments needed to be made to them in order for them to be in accordance with generally accepted accounting principles in Chile.

Ruben Lopez D.  
R.U.T.: 9.385.460-8

Ernst & Young Ltda.  
Auditors' R.U.T.: 77.802.430-6

Santiago, July 28, 2004

### 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.	06-30-04	06-30-03
-----	-----	-----	-----
5.11.00.00 TOTAL CURRENT ASSETS		191,655,613	185,100,000
5.11.10.10 Cash		2,337,271	2,500,000
5.11.10.20 Time deposits	41	5,384,461	12,100,000
5.11.10.30 Marketable securities (net)	4	67,806,888	67,700,000
5.11.10.40 Debtors from sales (net)	5	40,919,449	35,200,000
5.11.10.50 Documents receivable (net)	5	4,765,988	4,500,000
5.11.10.60 Sundry debtors (net)	5	3,013,052	1,700,000
5.11.10.70 Doc. & accts receivable related Co.	6	3,691,705	500,000
5.11.10.80 Inventories (net)	7	47,218,588	45,000,000
5.11.10.90 Recoverable taxes	8	1,480,533	2,000,000
5.11.20.10 Prepaid expenses		1,985,130	1,700,000
5.11.20.20 Deferred taxes	8	1,741,034	900,000
5.11.20.30 Other current assets	10	11,311,514	10,600,000
5.11.20.40 Leasing contracts (net)		0	
5.11.20.50 Leasing assets (net)		0	

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5.12.00.00	TOTAL FIXED ASSETS	12	135,583,958	140,8
5.12.10.00	Land	12	13,442,643	13,1
5.12.20.00	High rises & infrastructure	12	64,321,481	61,3
5.12.30.00	Machinery & equipment	12	148,348,627	143,3
5.12.40.00	Other fixed assets	12	11,729,704	10,5
5.12.50.00	Positive goodwill from technical revaluation of fixed assets	12	6,659,823	7,7
5.12.60.00	Depreciation (minus)	12	(108,918,320)	(95,44
5.13.00.00	TOTAL OTHER ASSETS		136,210,144	143,6
5.13.10.10	Investment in related companies	14	100,763,973	107,2
5.13.10.20	Investment in other companies	15	788,803	8
5.13.10.30	Negative goodwill	16	8,995,298	9,3
5.13.10.40	Positive goodwill (minus)		0	
5.13.10.50	Long-term debtors	5	204,430	1
5.13.10.60	Doc. & accts receivable related Co.	6	1,106,556	
5.13.10.65	Long-term deferred taxes		0	
5.13.10.70	Intangibles	17	11,913,536	11,8
5.13.10.80	Amortization (minus)	17	(1,325,968)	(1,10
5.13.10.90	Other	18	13,763,516	15,3
5.13.20.10	Long-term leasing contracts (net)		0	
5.10.00.00	TOTAL ASSETS		463,449,715	469,6

LIABILITIES

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

LIABILITIES	NOTE No.	06-30-04	06-30-04	
-----	-----	-----	-----	
5.21.00.00	TOTAL CURRENT LIABILITIES		52,198,981	56,2
5.21.10.10	Short-term oblig. Banks & Fin. Inst.	19	6,968	
5.21.10.20	Short-term portion - Long-term oblig. Banks & Financial Institutions	19	2,833,925	4,0
5.21.10.30	Obligations with the public (notes)		0	
5.21.20.40	Short-term portion oblig with public	22	1,740,471	1,7
5.21.10.50	Long-term oblig. due within 1 year		74,279	2
5.21.10.60	Dividends payable		652,088	5
5.21.10.70	Accounts payable		16,114,615	18,9
5.21.10.80	Notes payable		3,184,042	4,0
5.21.10.90	Sundry creditors		891,189	2,5
5.21.20.10	Notes & accts payable related Co.	6	1,104,714	7
5.21.20.20	Provisions	23	17,245,411	12,0
5.21.20.30	Withholdings		2,293,589	1,4
5.21.20.40	Income tax		0	



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	5.21.20.50	Earned income		4,136,733	3,9
	5.21.20.60	Deferred taxes	8	0	
	5.21.20.70	Other current liabilities	20	1,920,957	5,9
5.22.00.00		TOTAL LONG-TERM LIABILITIES		136,721,197	144,9
	5.22.10.00	Oblig with Banks & Financial Inst.	21	35,266,974	42,0
	5.22.20.00	Long-term oblig with public (bonds)	22	90,179,235	90,4
	5.22.30.00	Long-term notes payable		0	
	5.22.40.00	Long-term sundry debtors		205,331	3
	5.22.50.00	Long-term notes & accts. payable related companies	6	0	
	5.22.60.00	Long-term provisions	23	6,417,630	7,5
	5.22.70.00	Long-term deferred taxes	8	4,652,027	4,5
	5.22.80.00	Other long-term liabilities		0	
5.23.00.00		MINORITY INTEREST	26	39,137,297	37,4
5.24.00.00		TOTAL EQUITY	27	235,392,240	231,0
	5. 24.10.00	Paid-in capital	27	65,396,749	65,1
	5. 24.20.00	Reserve capital revaluation	27	523,174	7
	5. 24.30.00	Premium in sale of own shares	27	28,097,372	28,0
	5. 24.40.00	Other reserves	27	7,499,397	9,1
	5. 24.50.00	Retained earnings (addition of codes 5.24.51.00 to 5.24.56.00)		133,875,548	127,9
	5.24.51.00	Reserve future dividends	27	128,030,273	125,9
	5.24.52.00	Accrued profits	27	0	
	5.24.53.00	Accrued losses (minus)	27	0	
	5.24.54.00	Profit (loss) for the year	27	7,125,275	2,9
	5.24.55.00	Prov. dividends (minus)	27	(1,280,000)	(96
	5.24.56.00	Accr. deficit dev. period	27	0	
5.20.00.00		TOTAL LIABILITIES		463,449,715	469,6

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.	06-30-04	06-3	
-----	-----	-----	-----	
5.31.11.00		OPERATING INCOME	15,734,425	15,6
5.31.11.10		Gross Margin	28,924,101	27,6
5.31.11.11		Sales	80,298,906	76,9
5.31.11.12		Costs (minus)	(51,374,805)	(49,27
5.31.11.20		Adm. & sales expenses	(13,189,676)	(12,04

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	(minus)			
5.31.12.00	NON-OPERATING RESULTS		(4,239,480)	(9,88
5.31.12.10	Interest income		989,141	1,6
5.31.12.20	Income investments Rel. Co.	14	969,006	1,7
5.31.12.30	Other non-operating income	28	667,949	4
5.31.12.40	Loss investments Rel. Co. (-)	14	(4,135,296)	(3,67
5.31.12.50	Amortization neg.goodwill (-)	16	(322,921)	(31
5.31.12.60	Interest expenses (minus)		(3,337,812)	(3,49
5.31.12.70	Other non-operat expenses (-)	28	(1,179,937)	(1,10
5.31.12.80	Price level restatement	29	(307,756)	(66
5.31.12.90	Exchange differences	30	2,418,146	(4,46
5.31.10.00	RESULTS BEFORE INCOME TAX AND EXTRAORDINARY ITEMS		11,494,945	5,7
5.31.20.00	INCOME TAX	8	(2,670,024)	(1,43
5.31.30.00	EXTRAORDINARY ITEMS	31	0	
5.31.40.00	PROFIT (LOSS) BEFORE MINORITY INTEREST		8,824,921	4,2
5.31.50.00	MINORITY INTEREST	26	(1,699,646)	(1,33
5.31.00.00	NET INCOME (LOSS)		7,125,275	2,9
5.32.00.00	Amortization of positive goodwill		0	
5.30.00.00	INCOME (LOSS) FOR THE YEAR		7,125,275	2,9

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.	06-30-04	06-30
-----	-----	-----	-----
5.41.11.00	NET FLOW FROM OP. ACT.	21,112,235	21,0
5.41.11.10	Collection from sales debtors	93,799,010	98,5
5.31.11.20	Interests received	4,272,766	2,2
5.31.11.30	Dividends & other distributions funds received	1,079,693	1
5.31.11.40	Other income	1,153,195	2,5
5.31.11.50	Payments to suppliers & personnel (-)	(66,593,878)	(68,96
5.31.11.60	Interest paid (minus)	(3,818,916)	(3,24
5.31.11.70	Income tax paid (minus)	(1,559,357)	(2,79
5.31.11.80	Other expenses paid (minus)	(714,629)	(2,68
5.31.11.90	V.A.T. & other similar paid (minus)	(6,505,649)	(4,73
5.41.12.00	CASH FLOW FINANCING ACTIVITIES	(3,929,584)	(10,17
5.41.12.05	Proceeds from share issue	0	

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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		54,017	
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)		(3,135,444)	(8,12)
5.41.12.40	Capital distributions (minus)		0	
5.41.12.45	Repayment of loans (minus)		(823,133)	(1,84)
5.41.12.50	Payment of obligations with the public (-)		0	(21)
5.41.12.55	Repayment of secured loans from rel Co. (-)		(25,024)	(7)
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		(11,196,003)	(15,75)
5.41.13.05	Sale of fixed assets		69,055	2
5.41.13.10	Sale of permanent investments		0	
5.41.13.15	Sale of other investments	33	398	
5.41.13.20	Proceeds secured loans to related Comp.		0	
5.41.13.25	Proceeds other loans to related companies		28,819	1,9
5.41.13.30	Other investment income	33	0	1,9
5.41.13.35	Incorporation of fixed assets (minus)		(7,252,623)	(19,57)
5.41.13.40	Capitalized interests payment (minus)		0	
5.41.13.45	Permanent Investments (minus)		(437)	
5.41.13.50	Investments in financial instruments (minus)		0	(7)
5.41.13.55	Other loans to related companies (minus)		(3,803,547)	
5.41.13.60	Other loans to related companies (minus)		(2,465)	(
5.41.13.65	Other distrib of funds on invest activities (-)	33	(235,203)	(31)
5.41.00.00	TOTAL NET CASH FLOW FOR THE PERIOD		5,986,648	(4,90)
5.42.20.00	EFFECT OF INFLATION ON CASH & CASH EQUIV.		82,812	(1,63)
5.41.00.00	NET CHANGE IN & CASH EQUIVALENT		6,069,460	(6,53)
5.42.00.00	CASH & CASH EQUI AT BEGINNING OF PERIOD		76,213,878	94,8
5.43.00.00	CASH & CASH EQUIV BALANCE AT END OF PERIOD		82,283,338	88,3

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

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CASH FLOW - INCOME STATEMENT RECONCILIATION	NOTE No.	06-30-04
5.50.10.00 Profit (Loss) for the year		7,125,275
5.50.20.00 Profit (Loss) in sale of assets		98,723
5.50.20.10 (Profit) Loss in sale of fixed assets		98,529
5.50.20.20 Profit in sale of investments (minus)		0
5.50.20.30 Loss in sale of investments		194
5.50.20.40 (Profit) Loss in sale of other assets		0
5.50.30.00 Non-cash charges (credits) to results		15,976,546
5.50.30.05 Depreciation for the year	12	7,743,099
5.50.30.10 Amortization of intangibles		522,168
5.50.30.15 Write-offs and provisions		2,194,521
5.50.30.20 Accrued earnings from investments in related com. (minus)	14	(969,006)
5.50.30.25 Accrued losses from investments in related Co.	14	4,135,296
5.50.30.30 Negative goodwill amortization	16	322,921
5.50.30.35 Positive goodwill amortization (minus)		0
5.50.30.40 Price level restatement	29	307,756
5.50.30.45 Net exchange difference	30	(2,418,146)
5.50.30.50 Other non-cash credits to results (minus)		(769,854)
5.50.30.55 Other non-cash debits to results		4,727,791
5.50.40.00 Changes in Assets affecting cash flow (incr) decreases		(22,180,123)
5.50.40.10 Debtors from sales		(6,141,083)
5.50.40.20 Inventory		(15,364,501)
5.50.40.30 Other assets		(674,539)
5.50.50.00 Changes in liabilities affecting cash flow increases (decr)		18,572,168
5.50.50.10 Accounts payable related to results for the year		17,758,985
5.50.50.20 Interests payable		(760,016)
5.50.50.30 Income tax payable (net)		1,446,716
5.50.50.40 Other accounts payable related to non-oper results		533,207
5.50.50.50 VAT and other taxes payable (net)		(406,724)
5.50.60.00 Profit (Loss) of minority interest		1,699,646
5.50.00.00 NET OPERATING CASH FLOW		21,112,235

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 (S.V.S.).

The subsidiary S.A. Vina Santa Rita is registered in the Securities Register under number 390 of the S.V.S.

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### 02. Applied Accounting Criteria

#### APPLIED ACCOUNTING CRITERIA

a) Accounting Period

These financial statements correspond to the period between January 1 and June 30 of 2004 and 2003.

b) Preparation basis of financial statements:

These consolidated financial statements as of June 30, 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 updated according to non-accounting terms as of June 30, 2004 by 0.6%.

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.

The company Ciecsa consolidated includes the balances of its subsidiary Red Televisiva Megavision S.A. in which it has a 99.99% stake of its net worth and of Simetral S.A. in 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, Vina Centenaria S.A., with 100% stake, Vina Dona Paula S.A. with 100% stake and Sur Andino S.A., with a 100% stake in 2004 and 2003.

Amounts and effects of transactions between consolidated companies have been eliminated and the stake of minority investors is presented in the balance sheet as Minority Interest.

e) Adjustment for Currency Devaluation (Price Level Restatement)

Consolidated financial statements have been restated considering the variation in the purchasing power of the currency, occurred in the first half of 2004, that reached 0.8% (1.1% in 2003).

For financial effects, effective variations occurred in every month of years 2003 and 2004 have been considered, with respect to June 2003 and 2004. For tax effects, negative variations occurred during some months of 2003 and 2004 with respect to June 2003 and 2004, have been equaled to zero, according to instructions of the Chilean Internal Revenue Service, not affecting significantly the financial statements.

f) Conversion Basis

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Balances in foreign currency and indexed currency units (unidades de fomento) have been converted to pesos at the indicated parities:

	2004	2003
	-----	-----
	Ch\$	Ch\$
U.S. Dollar	636.30	699.12
Pound Sterling	1,157.12	1,157.48
Swedish Crown	509.16	517.18
EURO	775.88	803.86
Unidad de Fomento	17,014.95	16,959.67

### g) Marketable Securities and Time Deposits

Transactions in short-term fixed income instruments are shown at the return value of the investment, which does not exceed the market value as of June 30, 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 Company in Celulosa Arauco bonds are registered under "Other" in the long-term, and are presented at investment value plus accrued interests up to the closing date of the fiscal year of the financial statements, without adjusting to the market value because there is the intention of keeping the bonds until their maturity.

### h) Inventory

Inventory of finished products has been valued as of June 30, 2004 and 2003 at the direct production cost, duly updated, raw materials and materials at the cost of the last purchase or its corrected cost. Those valuations do not exceed the net liquidation value.

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.

Television programs inventories at the closing of each fiscal year represent the value of contracted films and videos and the proportion of repetitions that are pending exhibition. The actual cost of the programs is charged to results as they are broadcasted.

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

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

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### j) Fixed Assets

The property in fixed assets is shown at the purchase cost plus legal and regulatory revaluations accumulated up until June 30, 2004 and 2003.

### k) Depreciation of Fixed Assets

Depreciation of these goods is calculated on updated values, according to the straight-line depreciation method, 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 S.A. Vina Santa Rita, that are amortized for a period of 40 years, and the costs for trademark registration, that are amortized for a period equivalent to the maturity of the renovation, are presented as intangibles. The subsidiary Ciecsa consolidated includes the frequency of TV channel 9, which has an amortization period of 40 years, and the amortization method is that of "Increasing Digits".

### o) Investments in Related Companies

According to Circular No. 1697 of the SVS, the Equity Method (Valor Patrimonial Proporcional - V.P.P.) has been used for the valuation of investments in related companies effected prior to January 01, 2004. This method consists in assigning the investment an equivalent value to the percentage of the holding that corresponds to the Company in the book value of the issuer, and acknowledge proportionally the variations that the latter experiments. Investments abroad have been valued according to the provisions of Technical Bulletin No. 64 of the Chilean Accountants Association A.G.

### 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 June 30, 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

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purchase value plus interest and adjustments accrued at the closing of the fiscal year, and they are

classified under "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 lower value obtained compared to par value is amortized proportionally to payment or redemption of capital installments of those bonds as well as the corresponding expenses for their placement.

### s) Deferred Taxes and Income Tax

The Company and its subsidiaries have complied with deferred taxes, in accounting terms, as established in Technical Bulletin No. 60 and 71 of The Accountants Association of Chile A.G. and the norms indicated in circular 1,466 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 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 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 A.G.

### w) Computer Software

The 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 own development are charged to results as they are generated. Computer packages are recorded in Fixed Assets and amortized in 36 months by the Company and in 48 months by the subsidiary S.A. Vina Santa Rita.

### x) Research and development expenses



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The companies show any expenses in this item directly as a charge 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 A.G., 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 agreements with maturities over 90 days have been classified in the item "Investments in Financial Instruments."

CRISTALERIAS DE CHILE S.A.

NOTE 2 - ACCOUNTING CRITERIA USED

COMPANIES INCLUDED IN THE CONSOLIDATED REPORT

R.U.T.	Company Name	Percentage of Shareh		
		06.30.2004		
		Direct	Indirect	Tot
96.721.580-5	Cristalchile Comunicaciones S.A.	99.9980	0.0000	99.9
96.767.580-6	Constructora Apoger S.A.	80.0000	0.0000	80.0
96.608.270-4	Ciecsa S.A.	98.4458	0.0000	98.4
86.547.900-K	S.A. Vina Santa Rita	54.0970	0.0000	54.0
96.972.440-5	Cristalchile Inversiones S.A.	99.9900	0.0100	100.0

### 03. Accounting Changes

As of June 30, 2004 and 2003, there have not been any changes in the accounting criteria applied that affect the consolidated financial statements.

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04. Marketable Securities

As of June 30, 2004, this item is composed by the following investments:

- a) Th Ch\$ 55,251,502 in bonds and fixed rate instruments equivalent to US\$41,048,455 and 37,547,521 EUROS, which mainly correspond to investments in state bonds and financial institutions of USA, Germany and Holland, Collateralized Bonds of Private Companies in USA (guaranteed with accounts receivable) and USA Mortgage Bonds with state guarantee.
- b) Th Ch\$ 8,191,207 in investment fund quotas in US\$
- c) Th Ch\$ 4,187,786 in shares
- d) Th Ch\$ 176,393 for accrued interest of Celulosa Arauco S.A. bonds.

As of June 30, 2003, this item is composed by the following investments:

- e) Th Ch\$ 54,372,053 in bonds and fixed rate instruments, which mainly correspond to investments in Treasury Bills bonds, Collateralized Bonds of Private Companies in USA (guaranteed with accounts receivable) and USA Mortgage Bonds with state guarantee.
- f) Th Ch\$ 8,968,712 in investment fund quotas in US\$
- g) Th Ch\$ 4,183,939 in shares.
- h) Th Ch\$ 194,134 for accrued interest of Celulosa Arauco S.A. bonds.

CRISTALERIAS DE CHILE S.A.

NOTE 4 -MARKETABLE SECURITIES

BALANCE COMPOSITION

Type of Security	Book Value	
	06-30-2004	06-30-2003
Shares	4,187,786	4,183,939
Bonds	0	0
Shares in mutual funds	0	0
Shares in investment funds	8,191,207	8,968,712
Public tender notes	0	0
Mortgage commitments	0	0
Bonds and fixed rate instruments	55,251,502	54,372,053
Interest Celulosa Arauco S.A. bonds.	176,393	194,134
Total Marketable Securities	67,806,888	67,718,838

CRISTALERIAS DE CHILE S.A.

NOTE 4 - MARKETABLE SECURITIES

SHARES

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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	85	5
Value Investment Portfolio					
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
Financial Institutions bonds (USA, Germany and Holland) (1)	29,132,371	29,132,371	
US treasury bonds (2)	20,555,448	20,555,448	
Collateralized Bonds USA (2)	5,549,780	5,549,780	
Call Deposit (2)	13,903	13,903	
Celulosa Arauco bonds (interest) (2)	176,393	176,393	
BBH U.S. Money Market Portfolio (2)	8,191,207	8,191,207	
TOTAL	63,619,102	63,619,102	

Note:

- (1) The investements have been done in EUROS
- (2) Investments in U.S. Dollars
- (3) Rate for Period from 01-01-2004 to 06-30-2004.
- (4) These investments can be recovered within 48 hrs. notice.

05. Short-Term and Long-Term Debtors

As of June 30, 2004 and 2003, there are balances for short-term debtors in the amount of Th \$48,674,933 (Th \$ 41,541,224 in 2003).

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The bad debt reserve that amounted Th \$ 706,185 in 2004 (Th \$708,162 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.

In addition, there is a balance of Th Ch\$ 204,430 in Long-Term Debtors (Th Ch\$ 173,463 in 2003).

Under "sales debtors", exports made by the subsidiary S.A. Vina Santa Rita amounting Th Ch\$ 9,881,314 as of June 30, 2004 (61.71% of the total), and Th Ch\$ 9,275,695 as of June 30, 2003 (64.83% of the total) are included.

CRISTALERIAS DE CHILE S.A.

NOTE 5 -SHORT AND LONG TERM DEBTORS

Item	Current Assets Over 90 days			
	Up to 90 days		Over 90 days up to 1	
	06-30-2004	06-30-2003	06-30-2004	06-30-2003
Debts from Sales	39,426,955	33,708,403	1,953,474	2,0
Estimate of bad debtors	-	-	-	-
Documents receivable	4,963,105	4,685,547	48,088	-
Estimate of bad debtors	-	-	-	-
Misc. Debtors	2,580,540	1,723,996	432,512	-
Estimate of bad debtors	-	-	-	-

Item	Subtotal	Total Current (net)		
		06-30-2004	06-30-2003	06-30-2003
Debts from Sales	41,380,429	40,919,449	35,240,688	-
Estimate of bad debtors	460,980	-	-	-
Documents receivable	5,011,193	4,765,988	4,541,128	-
Estimate of bad debtors	245,205	-	-	-
Misc. Debtors	3,013,052	3,013,052	1,759,508	204,
Estimate of bad debtors	-	-	-	-
		Total Long Term Debtors		204,

06. Balances and Transactions with related entities

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Balances receivable in the Short-Term as of June 30, 2004 totaled Th Ch\$ 3,715,261 (Th Ch\$ 575,881 in 2003) which correspond mainly to a loan granted by the parent company to Metropolis-Intercom for Th Ch\$ 2,704,725 at an annual interest rate of 3%, In addition to a loan granted by the subsidiary Ciecsa to Editorial Zig Zag for Th Ch\$ 108,909 (Th Ch\$ 164,226 in 2003) including interests, with maturity on June 2004 at an annual interest rate of 1%, and advertising sold by Red Televisiva Megavision S.A. to Metropolis-Intercom for Th Ch\$ 120,361 (Th Ch\$ 65,025 in 2003). The balance corresponds to invoicing receivable for Th Ch\$ 781,266 (Th Ch\$ 346,628 in 2003).

Balances payable in the short term totaled Th Ch\$ 1,104,714 at June 30, 2004 (Th Ch\$ 745,904 in 2003) mainly corresponding to commercial transactions under 90 days for Th Ch \$ 297,574 (Th Ch\$ 231,726 in 2003), and dividends payable to Majority shareholders for Th Ch\$ 807,140 (Th Ch\$ 514,178 in 2003).

In 2004 there is a balance registered under long-term accounts receivables for Th Ch\$ 1,106,556 (Th CH\$ 2,883 in 2003) corresponding to a loan granted by the parent company to Metropolis-Intercom S.A. for Th Ch\$ 855,171 and to Inmobiliaria Monte Azul S.A. for Th Ch\$ 247,128, the balance correspond to invoices totaling Ch Th\$ 4,257 (Ch Th\$ 2,883 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	
		06-30-2004	06-30-2003
89.150.900-6	Vina Los Vascos S.A.	205,021	184,174
83.032.100-4	Serv. Y Consultorias Hendaya S.A.	3,308	0
90.684.000-6	Editorial Zig-Zag S.A.	108,909	164,226
86.881.400-4	Envases CMF S.A.	18,587	37,381
90.320.000-6	Cia. Electro Metalurgica S.A.	2,683	81
96.539.380-3	Ediciones Financieras S.A.	0	4,739
79.753.810-8	Claro y Cia.	0	376
96.787.775-1	Metropolis Intercom S.A.	2,825,086	65,025
90.160.000-7	Sudamericana de Vapores S.A.	1,769	125
96793770-3	Ediciones Chiloe S.A.	0	0
86963200-7	Forus S.A.	0	34,228
78936090-1	Inmob. Y Constructora Monte Azul S.A.	0	0
77489120-K	Soc. Agr. Vinedos Collipeumo Ltda.	1,144	0
0-E	Rayen Cura SAIC	525,198	85,526
	<b>Total</b>	<b>3,691,705</b>	<b>575,881</b>

CRISTALERIAS DE CHILE S.A.

### NOTE 6 - BALANCES AND TRANSACTIONS WITH RELATED COMPANIES

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DOCUMENTS AND ACCOUNTS PAYABLE

R.U.T.	Company	Short Term	
		06-30-2004	06-30-2003
90.320.000-6	Cia. Electro Metalurgica S.A.	443,096	339,257
83.032.100-4	Serv. Y Consultorias Hendaya S.A.	245,793	85,701
89.150.900-6	Vina Los Vascos S.A.	4,048	10,587
79.753.810-8	Claro y Cia.	27,703	36,098
96.539.380-3	Ediciones Financieras S.A.	102	1,603
86.881.400-4	Envases CMF S.A.	183,909	174,279
90.160.000-7	Cia. Sudamericana de Vapores S.A.	2,930	8,768
77.658.870-9	Marketing Meter Ltda.	0	391
86.755.600-1	Inversiones Bayona S.A.	118,251	89,220
92048000-4	Sud Americana Agencias Maritimas S.A.	53,630	0
96787750-6	Metropolis Intercom S.A.	97	0
77489120-K	Soc. Agr. Vinedos Collipeumo Ltda.	25,155	0
	Total	1,104,714	745,904

CRISTALERIAS DE CHILE S.A.

NOTE 6 - BALANCES AND TRANSACTIONS WITH RELATED COMPANIES  
TRANSACTIONS

Company	R.U.T.	Relationship	Description of Transaction	Amount
Serv. Y Consultorias Hendaya S.A.	83.032.100-4	Majority shareholder	Services received	648,3
		-	Dividends paid	228,3
		-	Services supplied	9,5
		-	Products sold	1
		-	Services provided	36,8
		-	Payment made for own account	
Quemchi S.A.	96.640.360-8	Same Parent	Services rendered	5,0
Rayen Cura S.A.I.C.	0-E	Indirect affiliate	Direct sales	115,7
Navarino S.A.	96.566.900-0	Same Parent	Services supplied	5,0
Ediciones Financieras S.A.	96.793.77-3	Indirect affiliate	Products sold	
		-	Services purchased	2,3
		-	Services received	
		-	Advertising hired	6
		-	Advertising	5,5
		-	Advertising hired	6
Envases CMF S.A.	86.881.400-4	Affiliate	Materials purchased	291,2
		-	Products sold	1
		-	Other sales	32,8

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Forus S.A.	86.963.200-7	Indirect affiliate	Advertising hired	4,3
		Indirect affiliate	Advertising hired	4,3
Vina Los Vascos S.A.	89.150.900-6	Indirect affiliate	Direct sales	394,4
		-	Materials purchased	27,9
Cia. Sud-Americana de Vapores S.A.	90.160.000-7	Same Parent	Freight services received	110,5
		-	Other Sales	1
		-	Product sold	1,0
Cia. Electro Metalurgica S.A.	90.320.000-6	Majority shareholder	Dividends paid	875,5
		-	Materials purchased	4,6
		-	Other Sales	4
		-	Product sold	2,3
		-	Payment Made for own Account	
Claro y Cia.	79.753.810-8	With the Chairman	Advice received	69,4
		-	Expenses reimbursement	
		-	Product sold	1
Inversiones Bayona S.A.	86.755.600-1	Majority shareholder	Dividends paid	237,6
Metropolis Intercom S.A.	96.787.750-6	Indirect affiliate	Advertising hired	228,6
		-	Payment Made for own Account	
		-	Long Term Loan granted	855,1
		-	Short Term Loan granted	2,704,7
		-	Service Purchased	1
		-	Building Rent	7
		-	Advertising services	15,1
		-	Product sold	
Soc Agric. Cullipeumo Ltda.	77489120-K	Indirect	Raw Material Purchased	46,0
		-	Product sold	5
		-	Expenses reimbursement	9
Sudamericana Agencias Aereas y Maritimas S.A	92048000-4	Indirect	Freight services	92,9
		-	Other Purchases	10,8
Carmen Luz Sanchez Guzman	5781266-4	Indirect	Raw Material Purchased	37,2
		-	Expenses reimbursement	1,3
Inmob. Y Constructora Monte Azul S.A.	78936090-1	Affiliate	Loan granted	247,1
Empresa Editora S.A.	90684000-6	Indirect	Services Purchased	2,0

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)

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	2004	2003
	Th Ch\$	Th Ch\$
	-----	-----
Finished Products		
* Cristalerias de Chile S.A.	3,785,034	3,373,595
* S.A. Vina Santa Rita	10,224,256	9,864,726
Subtotal Finished Products	14,009,290	13,238,321
Raw Materials and Fuel		
* Cristalerias de Chile S.A.	1,195,803	2,031,456
* S.A. Vina Santa Rita	27,645,841	23,396,665
Subtotal Raw Materials and Fuel	28,841,644	25,428,121
Supply Materials and Parts		
* Cristalerias de Chile S.A.	899,181	1,054,862
* S.A. Vina Santa Rita	1,133,231	1,251,235
Subtotal Supply Materials and Parts	2,032,412	2,306,097
Materials in Transit	1,098,711	146,142
Red Televisiva Megavision S.A. (CIECSA S.A.)		
* Foreign, taped, for broadcast	813,230	3,095,915
* Domestic programming, to be broadcast	423,301	827,211
Subtotal Red Televisiva Megavision S.A.	1,236,531	3,923,126
Total	47,218,588	45,041,807

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

The other consolidated subsidiaries maintain negative taxable income, therefore have not provisioned for this concept.

Credits against taxes are shown deducting the payable obligation.

The detail is the following:



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	2004 Th Ch\$	2003 Th Ch\$
	-----	-----
Fiscal year income tax reserve	(2,713,307)	(910,536)
Single tax reserve	(7,024)	(4,880)
	-----	-----
SUB TOTAL	(2,720,331)	(915,416)
Credits:		
Monthly reserve payments	1,431,423	2,104,392
Training expenditures	52,589	39,352
Fixed Assets credit	28,286	32,196
Donations	1,128	4,332
	-----	-----
CREDIT SUB TOTAL	1,513,426	2,180,272
Total Income Tax	(1,206,905)	1,264,856
Income Tax to be Recovered	0	0
Other Taxes to be recovered:		
VAT Fiscal Credit	594,268	550,651
Income tax credit, previous year	2,093,170	233,536
	-----	-----
TOTAL TAXES TO BE RECOVERED	1,480,533	2,049,043

C) TAXABLE INCOME FUND

The Company registered the following income balances to be distributed:

	2004 Th Ch\$	2003 Th Ch\$
	-----	-----
Generated as of 12.31.1983:	1,930,833	1,930,833
Generated since 01.01.1984:		
Without Credit	1,943,098	1,080,718
With 10% First Category Credit	22,785	22,875
With 15% First category Credit	84,552,274	87,651,560
With 15% Additional rate Credit	722	728
With 16% First Category Credit	14,535,934	16,256,265
With 16.5% First Category Credit	6,972,963	3,571,625
With 17% First Category Credit	10,955,060	0
	-----	-----
SUB-TOTAL TAX INCOME	118,982,836	108,583,771
Non-income revenues	6,852,415	6,879,852
	-----	-----
TOTAL INCOME TO BE DISTRIBUTED	125,835,251	115,463,623

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CRISTALERIAS DE CHILE S.A.

NOTE 8 - DEFERRED TAXES AND INCOME TAX  
DEFERRED TAXES

Item	06-30-2004		
	Asset Deferred Tax		Liability
	Short term	Long Term	Short Term
Temporary Differences			
Reserve non-collectable accounts	120,052	0	0
Prepaid Income	594,765	0	0
Vacation provision	165,972	0	0
Intangible Amortization	0	0	0
Leased assets	0	0	0
Manufacturing expenses	0	0	0
Depreciations fixed assets	0	0	0
Severance payments	2,088	155,299	0
Other events	104,236	20,991	0
Packaging reserve	215,059	0	0
Furnace repair provision	339,507	358,000	0
Stock obsolescence provision	82,354	0	0
Spare parts obsolescence provision	103,850	0	0
Lower value sale of bonds	97,863	0	0
Non realized profits	38,988	10,836	0
Other provisions	125,445	0	0
Direct labor	85,619	0	0
Accumulated depreciation automobiles	0	19,288	0
Tax losses	0	4,070,873	0
Goodwill bond placement	0	0	53,803
Prepaid expenses	0	0	50,645
Banking reserve	11,337	0	0
Fixed assets, molds	0	0	0
Commercial brands	1,560	0	0
Amortization commercial brands	0	0	0
Expenses assetted	0	0	238,918
Deferred customs duties	0	0	0
Refractory Obsolence provision	0	0	0
Other Expenses provision	0	0	0
Complementary accounts-net of amort.	4,215	2,996,439	0
Valuation provision	0	0	
Total	2,084,400	1,638,848	343,366

Item	06-30-2003	
	Asset Deferred Tax	
	Liability	

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	Short Term	Long Term	Short Term
-----			
Temporary Differences			
Reserve non-collectable accounts	119,668	0	0
Prepaid Income	678,804	0	0
Vacation provision	143,682	0	0
Intangible Amortization	0	0	0
Leased assets	0	0	0
Manufacturing expenses	0	0	0
Depreciations fixed assets	0	0	0
Severance payments	1,973	37,924	0
Other events	0	0	0
Packaging reserve	189,513	0	0
Furnace repair provision	0	568,415	0
Stock obsolescence provision	61,997	0	0
Spare parts obsolescence provision	97,887	0	0
Lower value sale of bonds	0	0	0
Non realized profits	84,333	2,840	0
Other provisions	75,533	110,194	0
Direct labor	21,631	0	0
Accumulated depreciation automobiles	0	15,888	0
Tax losses	0	4,324,563	0
Goodwill bond placement	74,901	0	54,019
Prepaid expenses	0	0	40,250
Banking reserve	0	0	0
Fixed assets, molds	0	0	0
Commercial brands	0	0	0
Amortization commercial brands	35,562	0	0
Expenses assetted	0	0	343,167
Deferred customs duties	2,708	485	0
Refractory Obsolence provision	0	0	0
Other Expenses provision	0	0	0
Complementary accounts-net of amort.	170,633	3,635,942	0
Valuation provision	0	0	
Total	1,417,559	1,424,367	437,436

CRISTALERIAS DE CHILE S.A.

NOTE 8 - DEFERRED TAXES AND INCOME TAX  
INCOME TAX

Current tax expense (tax provision)	06/
Adjustment tax expense (previous year)	-----
Effects from assets or liabilities, deferred year's tax	-----
Tax benefit from tax losses	-2,
Effect of amortiz. of supplementary accounts for deferred assets and liabilities	

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Effect on assets or liabilities from deferred tax from changes in assessment provision  
Other charges or credits to the account

Total

-2,

09. Short and Long-term Leasing Contracts and Assets for Leasing  
(Note required only for leasing companies defined in  
Circular No.939 of 1990)

As of June 30, 2004 and 2003, no balances are included under this item.

10. Other current assets

As of June 30, 2004, this item includes investments in:

- a) Financial instruments with resale agreements for Th Ch\$ 10,942,806  
valued according to note 2 q).
- b) Deferred expenses for bond placement of Th Ch\$ 360,469
- c) Th Ch\$ 7,691 for bank reserve.
- d) Th Ch\$ 848 for other assets.

As of June 30, 2003, there were investments in:

- a) Financial instruments with resale agreements for Th Ch\$ 10,300,334  
valued according to note 2 q)
- b) Deferred expenses for bonds placement for Th Ch\$ 366,554
- c) Th Ch\$ 28,681 for bank reserve

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

Information about these transactions is presented in attached charts.

NOTE 11 - INFORMATION ON PURCHASE COMMITMENT, SALE COMMITMENT, SALE WITH  
REPURCHASE AGREEMENTS AND PURCHASE WITH RESALE AGREEMENTS OPERATIONS OF  
TITLES AND BEARER SECURITIES

SALE WITH REPURCHASE OPERATIONS (VRC) AND PURCHASE WITH SALE (CRV) COMMITMENT  
OPERATIONS

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Code	Dates		Counterpart	Original Currency	Price Set	Rate	
	Start	End					
CRV	06.25.2004	07.01.2004	BCI CB	Pesos	1,000,000	0.15	1,
CRV	06.25.2004	07.02.2004	BCI CB	Pesos	1,650,000	0.15	1,
CRV	06.29.2004	07.05.2004	BCI CB	Pesos	450,000	0.15	
CRV	06.30.2004	07.05.2004	Santander Investment	Pesos	760,000	0.16	
CRV	06.30.2004	07.06.2004	Santander Investment	Pesos	1,500,000	0.16	1,
CRV	06.30.2004	07.07.2004	Santander Investment	Pesos	1,490,000	0.16	1,
CRV	06.30.2004	07.07.2004	Santander Agente de Valores	Dollars	261,775	1.50	
CRV	06.30.2004	07.01.2004	BCI CB	Pesos	250,000	0.16	
CRV	06.30.2004	07.01.2004	BCI CB	Pesos	500,000	0.16	
CRV	06.30.2004	07.02.2004	Inversiones Boston Corredores	Pesos	162,702	0.18	
CRV	06.30.2004	07.02.2004	Inversiones Boston Corredores	Pesos	113,112	0.18	
CRV	06.30.2004	07.02.2004	Inversiones Boston Corredores	Pesos	23,186	0.18	
CRV	06.30.2004	07.01.2004	BCI CB	Pesos	249,000	0.16	
CRV	06.30.2004	07.01.2004	BCI CB	Pesos	144,000	0.16	
CRV	06.29.2004	07.23.2004	Banco Chile	Pesos	280,000	0.15	
CRV	06.29.2004	07.23.2004	Banco Chile	Pesos	280,000	0.15	
CRV	06.03.2004	07.15.2004	Banco Chile	Pesos	315,000	0.15	
CRV	06.03.2004	07.15.2004	BCI	Pesos	315,000	0.14	
CRV	06.29.2004	07.19.2004	Banco Santander	Pesos	100,000	0.15	
CRV	06.30.2004	07.08.2004	Banco Santander	Pesos	315,000	0.14	
CRV	06.30.2004	07.26.2004	Banco Santander	Pesos	280,000	0.15	
CRV	02.27.2004	07.19.2004	Banco Santander	Pesos	200,000	0.18	
CRV	06.03.2004	07.05.2004	Banco Santander	Pesos	300,000	0.15	

12. Fixed Assets

Cristalerias de Chile S.A.:

The Fixed Assets are valued according to note 2 j), and the main goods included within this item as of June 30, 2004 and 2003 are detailed in the annexed chart.

The items that make up the Company's fixed assets as of June 30, 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 de Transportes y Excavaciones Limitada, (TRANSEX LTDA.)

TRANSEX LTDA. granted Vina Santa Rita two pieces of land that totalize 27,242.67 m2, and Vina Santa Rita S.A., in turn, granted TRANSEX LTDA. a piece of land of 30,983.35 m2, both located in Buin. The parts agreed the exchange price of Ch\$ 269,000 (Two hundred and sixty nine million pesos).

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### Technical Reappraisal and Adjustment of Accounting Values:

The Company carried out a technical reappraisal of its fixed assets in 1979. On 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 amounts Th Ch\$ 7,743,099 in 2004 and Th Ch\$ 7,057,014 in 2003.

The detail is shown on an attached chart.

### CRISTALERIAS DE CHILE S.A. AND SUBSIDIARIES

#### NOTE 12 - FIXED ASSETS

	2004 ThCh\$	2003 Th Ch\$
	-----	-----
Land		
Land and Mining Properties	13,442,643	13,175,721
Subtotal Lands	13,442,643	13,175,721
 Buildings and Infrastructure Projects		
Hi rises and industrial buildings	31,431,451	30,446,106
Installations	32,863,607	30,897,019
Residences	26,423	26,396
Subtotal	64,321,481	61,369,521
 Depreciations		
Accumulated	(21,914,857)	(18,943,856)
Fiscal year	(1,531,160)	(1,484,511)
Subtotal Depreciations	(23,446,017)	(20,428,367)
 Subtotal Constructions and Projects	40,875,464	40,941,154
 Machinery and Equipment		
Machinery	97,261,628	92,830,513
Furnaces	46,747,917	46,597,914
Furniture and Furnishings	2,691,788	2,489,424
Tools	723,600	631,308
Rolling Stock	923,694	823,703
Subtotal	148,348,627	143,372,862
 Depreciations		
Accumulated	(74,159,239)	(63,440,551)
Fiscal year	(6,106,813)	(5,467,480)
Subtotal Depreciations	(80,266,052)	(68,908,031)

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Subtotal Machinery and Equipment	68,082,575	74,464,831
Other Fixed Assets		
Spare parts	5,917,908	5,373,156
Imports in transit	891,470	87,308
Work in progress	2,226,701	2,130,332
Lots in Pirque and Leyda	413,529	466,610
Deferred Customs Duties	98,012	340,223
Packages and Bundling	237,598	237,361
Other	1,944,486	1,952,826
Subtotal Other Fixed Assets	11,729,704	10,587,816
Total Fixed Assets	237,842,455	228,505,920
Total Accumulated Depreciation	(96,074,096)	(82,384,407)
Total Depreciation of the Period	(7,637,973)	(6,951,991)
Total Net Fixed Assets	134,130,386	139,169,522

TECHNICAL REVALUATION AND ADJUSTMENT TO ACCOUNTING VALUES

	2004 ThCh\$	2003 Th Ch\$
	-----	-----
Land		
Land	315,506	321,069
Subtotal net land and mining properties	315,506	321,069
Buildings and Infrastructure Projects		
High rises and industrial buildings	6,302,652	6,290,431
Installations	41,665	41,614
Subtotal Buildings	6,344,317	6,332,045
Accumulated Depreciation	(5,101,125)	(4,886,002)
Fiscal year depreciation	(105,126)	(105,022)
Subtotal depreciation	(5,206,251)	(4,991,024)
Subtotal Net Buildings	1,138,066	1,341,021
Machinery and Equipment		
Machinery and Equipment	0	1,114,736
Depreciations	0	(1,114,736)
Subtotal Machinery and Equipment	0	0
Subtotal Net Technical Revaluation	1,453,572	1,662,090
TOTAL REVALUED ASSETS	6,659,823	7,767,850
TOTAL ACCUMULATED DEPRECIATION	(5,101,125)	(6,000,738)
TOTAL DEPRECIATION OF THE PERIOD	(105,126)	(105,022)
TOTAL NET	1,453,572	1,662,090

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### 13. Sales transactions with leaseback

These type of transactions were not carried out as of June 30, 2004 and 2003.

### 14. Investments in related companies

According to Circular N. 1697 of the SVS, valuations of investments in related companies effected prior to January 2004 have been done using the Equity Method (VPP).

On the other hand, for investments in which participation is lower than 20%, the Equity Method (VPP) has been used, since they correspond to companies within the same business conglomerate and therefore significant influence over those companies exists.

This method consists in assigning the investment an equivalent value to the proportion that corresponds to the company in book value net worth of the issuer, and acknowledge proportionally the variations that this value experiments.

Investments in force as of June 30, 2004 and 2003 are detailed as follows:

#### METROPOLIS INTERCOM S.A.

On April 30, 2003 the shareholders of Metropolis -Intercom S.A. agreed to increase the capital of the company by issuing 3,923,834 shares at 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 the other 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 directly in a 2.205% and indirectly in 47.795% in the net worth of Metropolis-Intercom S.A.

#### CIECSA S.A.

On August 26, 2003 the shareholders of this subsidiary agreed to increase capital of the company by issuing 36,400,000 shares, equivalent to Th Ch\$ 910,000, which were subscribed and paid in their totality by Cristalerias de Chile S.A.

Such capital increase allowed CIECSA S.A. to complete financing to pay the balance of Th US\$ 2,100 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, the subsidiary CIECSA purchased from Televisa S.A. 7,885,472 shares of Megavision, corresponding to the totality of the participation that Televisa S.A. held in that company.



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The price of the transaction of shares of Televisa S.A. in Megavision was of US\$4,200,000, equivalent to US\$ 0.532625 per share. The parties agreed that the price would be paid with US\$ 2,100,000 in cash, which was paid in 27 August, 2002 and the balance to be paid in 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 the cost of US\$ 0.532625 per share.

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

### EDICIONES CHILOE S.A.

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

From the latter are 135,030 subscribed shares outstanding payment, for which the final date expires on September 2004.

### INMOBILIARIA MONTE AZUL S.A.

On May 14, 2004, Cristalchile S.A. paid its subsidiary Constructora Apoger the sum of Th Ch\$ 196 corresponding to 49% of the rights of the company; with this contribution the participation in the affiliate reached to 50% as of June 30, 2004 (no effect on results).

### INVESTMENTS ABROAD

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

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

On June 30, 2004 the Board of Rayen Cura approved the reimbursement of part of the irrevocable contributions subscribed and paid on April 29, 2002. The amount of that reimbursement was US\$ 1,500,000, of which US\$ 600,000 will be received by Cristalchile Inversiones S.A., equivalent to 40% of its contribution (provisioned and paid on July 1, 2004).

As of June 30, 2004 the financial statements of Rayen Cura S.A.I.C. recognize an exchange rate of \$ 2.94 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 recognize the variation from \$2.91 (exchange rate at December 31, 2003) and \$2.94 (exchange rate at June 30, 2004) Argentine pesos per US dollar.

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 recognized a Th Ch\$ 548,441 income during

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the first half of 2004 and a Th Ch\$ 742,704 income as of June 30, 2003.

On the other hand, the variation of the dollar exchange rate in Chile during the first half of 2004, originated in the investment in Rayen Cura S.A.I.C. and for the negative goodwill

produced by the purchase of shares of that company, a Th Ch\$ 1,026,122 credit. In 2004 (Th Ch\$ 723,786 charge in 2003), to Other Equity Reserves account.

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

	2004 Th\$ -----	2003 Th\$ -----
CristalChile Inversiones's stake in Rayen Cura S.A.I.C.	12,955,478	13,724,552
Negative goodwill (net of amortization)	4,373,151	5,150,694
	-----	-----
<b>TOTAL</b>	<b>17,328,629</b>	<b>18,875,246</b>
	=====	=====
Devaluation loss	(2,319,270)	(1,754,398)
Accrued Income (loss)	548,441	742,704
Potentially remesable income	0	0

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

The subsidiary Cristalchile Inversiones S.A., does not register liabilities that have been specifically designated and accounted as coverage instruments of the investment abroad.

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

### BREAKDOWN OF INVESTMENTS

		Investment		Shareholder (Percentage)		
R.U.T.	COMPANY	Country of Origin	Control Currency	Number of Shares	06-30-2004	06-30-2003
-----	-----	-----	-----	-----	-----	-----

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78.619.410-5	Cordillera Comunicaciones Holding	Chile	Peso	0	50.00000	50.00000
78.619.370-2	Cordillera Comunicaciones Ltda.	Chile	Peso	0	0.00000	0.00000
89.150.900-6	Vina Los Vascos S.A.	Chile	Peso	60,000,000	43.00000	43.00000
90.684.000-6	Editorial Zig-Zag S.A.	Chile	Peso	114,596,213	49.00000	49.00000
96.793.770-3	Ediciones Chiloe S.A.	Chile	Peso	1,570,146	50.00000	50.00000
96.826.870-8	Inmobiliaria Don Alberto S.A.	Chile	Peso	3,817	0.00000	38.00000
86.881.400-4	Envases CMF S.A.	Chile	Peso	28,000	50.00000	50.00000
96806690-0	Proser S.A.	Chile	Peso	50	0.00000	0.00000
96787750-6	Metropolis Intercom S.A.	Chile	Peso	1,961,918	2.00000	0.00000
78936090-1	Inmob. Y Constructora Monte Azul S.A.	Chile	Peso	50	50.00000	0.00000
0-E	Rayen Cura S.A.I.C	Argentina	Dollar	1,376,000	40.00000	40.00000

R.U.T.	COMPANY	Net Income		Result of Accrual		06-
		06-30-2004	06-30-2003	06-30-2004	06-30-2003	
78.619.410-5	Cordillera Comunicaciones Holding	-7,740,034	-6,898,348	-3,870,016	-3,449,175	62,
78.619.370-2	Cordillera Comunicaciones Ltda.	-7,778,929	-6,933,013	-19,447	-17,332	
89.150.900-6	Vina Los Vascos S.A.	631,177	928,960	271,406	399,452	6,
90.684.000-6	Editorial Zig-Zag S.A.	-80,434	-222,992	-42,208	-111,268	
96.793.770-3	Ediciones Chiloe S.A.	-142,724	-184,682	-71,362	-92,340	
96.826.870-8	Inmobiliaria Don Alberto S.A.	0	2	0	1	
86.881.400-4	Envases CMF S.A.	298,319	1,216,701	149,159	608,349	16,
96806690-0	Proser S.A.	98	135	0	0	

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96787750-6	Metropolis Intercom S.A.	-5,961,766	-4,843,208	-131,436	0	1,
78936090-1	Inmob. Y Constructora Monte Azul S.A.	-1,654	0	-827	0	
0-E	Rayen Cura S.A.I.C	1,371,101	1,856,761	548,441	742,704	12,
	TOTAL					100,

R.U.T.	COMPANY	Not Realized Result		Investment Book value	
		06-30-2004	06-30-2003	06-30-2004	06-30-2003
78.619.410-5	Cordillera Comunicaciones Holding	0	0	62,786,316	69,911,067
78.619.370-2	Cordillera Comunicaciones Ltda.	0	0	315,509	351,312
89.150.900-6	Vina Los Vascos S.A.	0	0	6,114,801	5,543,096
90.684.000-6	Editorial Zig-Zag S.A.	0	0	375,220	279,239
96.793.770-3	Ediciones Chiloe S.A.	157,314	197,757	514,070	530,116
96.826.870-8	Inmobiliaria Don Alberto S.A.	0	0	0	14
86.881.400-4	Envases CMF S.A.	0	0	16,138,193	6,876,710
96806690-0	Proser S.A.	0	0	-61	-61
96787750-6	Metropolis Intercom S.A.	0	0	1,564,973	0
78936090-1	Inmob. Y Constructora Monte Azul S.A.	0	0	-526	0
0-E	Rayen Cura S.A.I.C	0	0	12,955,478	13,724,552
	TOTAL	157,314	197,757	100,763,973	107,216,045

15. Investments in other companies

Investments in other companies that totaled Th Ch\$ 788,803 as of June 30, 2004 (Th Ch\$ 831,373 in 2003) are shown on attached charts.

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CRISTALERIAS DE CHILE S.A.  
NOTE 15 - INVESTMENTS IN OTHER COMPANIES

R.U.T.	Company Name	Number of Shares	Shareholding (Percentage)	Book Value 06-30-2004	Book Value 06-30-2003
96.895.100-9	Internet Holding S.A.	57,104	7.4200	180,457	200,000
0-E	Bazuca.com Inc.	266,500	7.8900	608,346	600,000

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 June 30, 2004 reached Th Ch 8,995,298 (Th Ch\$ 9,364,453 in 2003).

POSITIVE GOODWILL

As of June 30, 2004 and 2003 the Company and subsidiaries do not show any balance for this item.

More detail is shown in the attached chart.

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

NEGATIVE GOODWILL		06-30-2004		06-30-2003
R.U.T.	Company Name	Amount Amortiz. this period	Goodwill Balance	Amount
99.999.999-9	Rayen Cura S.A.	143,382	4,373,151	4,373,151
86.547.900-K	S.A. Vina Santa Rita	25,288	538,221	538,221
96.608.270-4	Ciecsa S.A.	61,103	1,283,153	1,283,153
89.150.900-6	Vina Los Vascos S.A.	44,792	1,133,275	1,133,275
90.684.000-6	Empresa Editoria Zig-Zag S.A.	3,201	100,020	100,020
79.952.350-7	Red Televisiva Megavision S.A.	26,844	862,487	862,487

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96787750-6	Metropolis Intercom S.A.	18,311	704,991
	TOTAL	322,921	8,995,298

17. Intangibles

The following values are included in this item:

	Th Ch\$ 2004 ----	Th Ch\$ 2003 ----
Concession of Channel 9 frequency and regional network	10,261,701	10,251,480
Trademarks	1,651,835	1,622,598
TOTAL INTANGIBLES	11,913,536 =====	11,874,078 =====
ACCUMULATED AMORTIZATIONS		
From Channel 9 Frequency	(1,057,456)	(900,130)
From Trademarks	(268,512)	(209,189)
TOTAL AMORTIZATIONS	(1,325,968) =====	(1,109,319) =====

18. Other (Assets)

As of June 30, 2004 and 2003 its composition is the following:

	2004 Th Ch\$ -----	2003 Th Ch\$ -----
Celulosa Arauco bonds (*)	8,539,146	9,375,162
Price differential bond acquisition(*)	22,801	199,477
Negative goodwill Bond Placement (Net)	2,971,837	3,316,538
Expenses of bond placement	971,261	1,141,134
Bank Reserve	0	9,627
Foreign programs to be exhibited over a year from the present	649,332	791,556
Long-Term Tax VAT Vina Dona Paula (**)	535,423	395,738
Presumed Minimum Income Tax	45,885	40,928
Other	27,831	62,409

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Total	----- 13,763,516 =====	----- 15,332,569 =====
-------	------------------------------	------------------------------

(\*) 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\$ 22,801 correspond to price differential paid in the acquisition of Celulosa Arauco bonds which will be amortized in the same term of the bonds due date.

Considering that there is the intention of maintaining the Celulosa Arauco and Constitucion S.A. bonds until their maturity 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.

(\*\*) Corresponds to long term taxes to recover of Vina Dona Paula S.A., Mendoza, Argentina.

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				
		Dollars		Euros		
		06-30-2004	06-30-2003	06-30-2004	06-30-2003	6-30-2004
Short term (code: 5.21.10.10)						
0-E	Banco Regional de Cuyo	0	0	0	0	0
	Other	0	0	0	0	0
	TOTAL	0	0	0	0	0
	Amount capital due	0	0	0	0	0
	Annual average interest rate	0.00	0.00	0.00	0.00	0.00
Long Term - Short Term (code: 5.21.10.20)						
97.008.000-7	Citibank NA	987,097	1,947,699	0	0	0
97.030.000-5	Banco Estado	0	0	0	0	0
97.018.000-1	Scotiabank Sudamericano	0	0	0	0	0
97.006.000-6	Banco Credito e Inversiones	0	0	0	0	0
97.004.000-4	Banco de Chile	0	0	0	0	0
97.036.000-K	Banco Santander Chile	0	0	0	0	0
0-E	JP Morgan Chase Bank	139,500	156,829	0	0	0
0-E	Banco Argentaria	233,517	258,989	0	0	0

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Other	0	0	0	0	0
TOTAL	1,360,114	2,363,517	0	0	0
Amount capital due	1,214,986	1,222,276	0	0	0
Average annual interest rate	1.91	1.85	0.00	0.00	0.00
Percentage oblig. foreign curr. (%)		48.0000			
Percentage oblig. localcurr. (%)		52.0000			

R.U.T.	Bank or Financial Institution	Type of Currency and Readjustment Index			
		U.F.		Non adjustable \$	
		06-30-2004	06-30-2003	06-30-2004	06-30-2003
Short term (code: 5.21.10.10)					
0-E	Banco Regional de Cuyo	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)					
97.008.000-7	Citibank NA	0	0	0	0
97.030.000-5	Banco Estado	0	0	265,573	267,166
97.018.000-1	Scotiabank Sudamericano	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
97.036.000-K	Banco Santander Chile	0	0	0	0
0-E	JP Morgan Chase Bank	0	0	0	0
0-E	Banco Argentaria	0	0	0	0
	Other	0	0	0	0
	TOTAL	0	0	265,573	267,166
		0	0	264,375	265,961
	Amount capital due				0
	Average annual interest rate	0.00	0.00	4.94	4.94

20. Other Current Liabilities

As of June 30, 2004 and 2003 there is a balance of Th Ch\$ 1,920,957 and Th Ch\$ 5,945,646 respectively under "Other Current Assets", corresponding to differences in favor of financial institutions for foreign currency future contracts subscribed by the Parent Company and the subsidiaries S.A. Vina Santa Rita and Ciecsa S.A. (see note No. 34).



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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	Currency adjustment index	Years of Maturity		
			More than 1 up to 2 Thou Ch\$	More than 2 up to 3 Thou Ch\$	More than 3 up to 4 Thou Ch\$
0-E	Banco Regional de Cuyo	Other currency	18,244	29,843	10,000
97.030.000-7	Banco Estado	Non-adjustment	266,172	132,188	
97.036.000-K	Banco Santander Santiago	UF	460,538	460,538	230,000
97.018.000-1	Banco Scotiabank	UF	408,324	408,324	408,000
0-E	J.P. Morgan Chase Bank	Dollars	7,953,750	15,907,500	7,953,750
90.008.000-K	Citibank N.A.	Dollars	0	0	
97.006.000-6	Banco Credito e Inversiones	UF	127,612	0	
97.004.000-5	Banco de Chile	UF	122,773	122,773	245,000
0-E	Banco Argentaria	Dollars	0	0	
	Total		9,357,413	17,061,166	8,848,000
	Percentage of obligations in foreign currency		90.0000%		
	Percentage of obligations in local currency		10.0000%		

R.U.T.	Institution	Years of Maturity		Closing date Current period	
		More than 10 years	Amount Period	Total Long-Term at closing of Financial Statements	Annual average interest rate
0-E	Banco Regional de Cuyo	0	0	58,593	2.48
97.030.000-7	Banco Estado	0	0	398,360	4.94
97.036.000-K	Banco Santander Santiago	0	0	1,151,345	TAB 180+1.05

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97.018.000-1	Banco Scotiabank	0	0	1,224,972	TAB 180+1.1
0-E	J.P. Morgan Chase Bank	0	0	31,815,000	2.05
90.008.000-K	Citibank N.A.	0	0	0	0
97.006.000-6	Banco Credito e Inversiones	0	0	127,612	TAB 90+1.05
97.004.000-5	Banco de Chile	0	0	491,092	TAB 180+1.05
0-E	Banco Argentaria	0	0	0	0
	Total	0		35,266,974	

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

The balance for the short-term as of June 30 2004 was Th Ch\$ 1,740,471 (Th Ch\$ 1,735,084 in 2003), corresponding to accrued interests for bonds issued by the Parent Company and the subsidiary S.A. Vina Santa Rita.

As of June 30, 2004, there are long-term obligations with the public for Th Ch\$ 90,179,235 (Th Ch\$ 90,425,569 in 2003), of which Th Ch\$ 69,761,295 (Th Ch\$ 69,951,855 in 2003) correspond to bonds issued in UF's, by the Company, series C1, C2, D1, D2 and Th Ch\$ 20,417,940 (Th Ch\$ 20,473,714 in 2003) correspond to bonds series C and D issued by the subsidiary S.A. Vina Santa Rita.

This liability is shown in detail in the annex.

Cristaleras 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	AMORTIZAT PAYMENT
LONG-TERM BONDS-CURRENT PORTION							
296-09.07.02	C1 Interests	0	UF	4.75	07-15-2004	SEMI-ANNUAL	SEMI-ANN
296-09.07.02	C2 Interests	0	UF	4.75	07-15-2004	SEMI-ANNUAL	SEMI-ANN
296-09.07.02	D1 Interests	0	UF	5.80	07-15-2004	SEMI-ANNUAL	SEMI-ANN
296-09.07.02	D2 Interests	0	UF	5.80	07-15-2004	SEMI-ANNUAL	SEMI-ANN
241-15.12.00	C1 Interests	0	UF	6.29	12-15-2004	SEMI-ANNUAL	SEMI-ANN
241-15.12.00	D1 Interests	0	UF	6.29	12-15-2004	SEMI-ANNUAL	SEMI-ANN
241-15.12.00	D2 Interests	0	UF	6.29	12-15-2004	SEMI-ANNUAL	SEMI-ANN
TOTAL CURRENT PORTION							

LONG-TERM BONDS

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296-09.07.02	C1	1,500,000	UF	4.75	07-15-2008	SEMI-ANNUAL	SEMI-ANN
296-09.07.02	C2	500,000	UF	4.75	07-15-2008	SEMI-ANNUAL	SEMI-ANN
296-09.07.02	D1	1,900,000	UF	5.80	07-15-2023	SEMI-ANNUAL	SEMI-ANN
296-09.07.02	D2	200,000	UF	5.80	07-15-2023	SEMI-ANNUAL	SEMI-ANN
241-15.12.00	C1	200,000	UF	6.29	12-15-2005	SEMI-ANNUAL	SEMI-ANN
241-15.12.00	D1	100,000	UF	6.29	12-15-2021	SEMI-ANNUAL	SEMI-ANN
241-15.12.00	D2	900,000	UF	6.29	12-15-2021	SEMI-ANNUAL	SEMI-ANN
LONG-TERM TOTAL							

### 23. Provisions and Write-Offs

#### Provisions:

As of June 30, 2004 the balance for short-term provisions amounted to Th Ch\$ 17,245,411, and Th Ch\$ 12,045,713 in 2003.

Long-term provisions amounted to Th Ch\$ 6,417,630 and Th Ch\$ 7,578,301 in 2004 and 2003, respectively.

#### 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\$ 706,185 and Th Ch\$ 708,162 as of June 30, 2004 and 2003, respectively.

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

#### Vacation Provision:

The Company and its subsidiaries have established provisions for the totality of the cost of vacations pending as of June 30, 2004 and 2003, as established in Technical Bulletin No. 47 of the Accountants Association of Chile A.G.

The net balance for this item is Th Ch\$ 979,703 as of June 30, 2004 (Th Ch\$ 861,509 in 2003).

#### Provision for Furnace Reconstruction:

This reserve is established throughout the useful life of the refractants 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 reserve in the amount of Th Ch\$ 4,194,934 and Th Ch\$ 3,441,104 as of June 30, 2004 and 2003, respectively.

Detail is shown in the attached chart.

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	06-30-2004	06-30-2003
	Thou Ch\$	Thou Ch\$
	-----	-----
Short Term		
Commissions and Fees	2,630,469	2,629,348
Furnace reconstruction	1,997,982	0
Share of Board of Directors	356,078	166,756
Legal holidays	979,703	861,509
Local and foreign suppliers	896,398	1,357,361
Packing return to clients	1,265,054	1,125,820
Spareparts reserve	438,189	449,065
Informative services	12,599	0
Advertising and marketing	1,026,940	320,093
Copyright	55,836	53,677
Severance payments	185,502	183,430
Advertising Agency Commission	624,677	605,547
Reserve indirect cost	492,914	463,355
Severance Legal provision	77,432	67,575
Loss Reserve exported products	86,749	105,497
Grape harvest expenses	4,891,034	2,742,564
Other reserves	1,227,855	914,116
TOTAL	17,245,411	12,045,713
Long Term		
Severance payment	4,220,678	4,137,197
Furnace reconstruction	2,196,952	3,441,104
TOTAL	6,417,630	7,578,301

24. Severance Payment

The Parent Company has effected a severance provision which is included at its current value, as expressed in note 2 t). As of June 30, 2004 the provision amounts to Th Ch\$ 4,406,180 (Th Ch\$ 4,320,627 in 2003).

As of June 30, 2004, the Parent Company paid severance payments with charge to the provision of Th Ch\$ 135,042 (Th Ch\$ 34,375 in 2003).

25. Other long-term liabilities

As of June 30, 2004 and 2003 there are no balances for this item.

26. Minority interest

The subsidiaries that generate minority interests as of June 30, 2004 and 2003

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are shown on the attached chart.

CRISTALERIAS DE CHILE S.A.  
NOTE 26: MINORITY INTEREST

SUBSIDIARY COMPANY	NET WORTH		RESULTS	
	Thou Ch\$	Thou Ch\$	Thou Ch\$	Thou Ch\$
	2004	2003	2004	2003
S.A.Vina Santa Rita and subsidiaries	38,751,342	37,139,291	(1,631,768)	(1,323,956)
CIECSA and subsidiaries	384,027	280,101	(68,169)	(9,172)
Apoger S.A.	730	1,098	216	142
Cristalchile Comunicaciones S.A.	1,198	1,388	75	68
<b>TOTAL</b>	<b>39,137,297</b>	<b>37,421,878</b>	<b>(1,699,646)</b>	<b>(1,332,917)</b>

27. Changes in Equity

a. Activity in 2004 and 2003

The activity of the capital and reserve accounts in the fiscal years ended on June 30, 2004 and 2003, are shown in the attached charts.

b. Other Reserves

The detail of this item is as follows:

	2004 ThCh\$	2003 ThCh\$
Future capital increases	4,564,803	4,376,765
Reserve for adjustment to the value of fixed assets	1,453,572	1,635,616
Adjustment for conversion difference in the investment in Rayen Cura S.A.I.C.	1,481,022	3,142,699
<b>TOTAL OTHER RESERVES</b>	<b>7,499,397</b>	<b>9,155,080</b>

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

ITEM	Paid-in Capital	Reserve capital revaluation	Premium in sale of shares	Other Reserves	Reserve Future Dividends	Accumulat Results
Balances as of 06/30/2004						
Initial balance	65,396,749	0	27,874,377	6,421,900	123,160,119	6,426,
Distribution result previous fiscal year	0	0	0	0	5,468,440	-6,426,
Final dividend previous fiscal year	0	0	0	0	-1,612,800	
Capital increases with cash stock issue	0	0	0	0	0	
Reserves and/or Profits Capitalization	0	0	0	0	0	
Development period Accumulated deficit	0	0	0	0	0	
Accumulated conversion difference adjustment	0	0	0	1,026,122	0	
Owner's equity Revaluation	0	523,174	222,995	51,375	1,014,514	
Fiscal Year Result	0	0	0	0	0	
Interim Dividends	0	0	0	0	0	
Final balances as of 06/30/2004	65,396,749	523,174	28,097,372	7,499,397	128,030,273	
Initial balance as of 06/30/2003	64,749,257	0	27,598,393	9,713,099	114,912,655	17,660,
Distribution result previous fiscal year	0	0		0	14,356,726	-17,660,
Final dividend previous fiscal year	0	0	0	0	-5,526,400	
Capital increases with cash stock issue	0	0	0	0	0	
Reserves and/or profit Capitalization	0	0	0	0	0	
Development period accumulated deficit	0	0	0	0	0	
Accumulated conversion difference adjustment	0	0	0	-719,466	0	
Owner's equity revaluation	0	712,242	303,583	106,844	1,449,595	
Fiscal Year Result	0	0	0	0	0	
Interim Dividends	0	0	0	0	0	
Final balances	64,749,257	712,242	27,901,976	9,100,477	125,192,576	
Updated Final Balances as of 06/30/2003	65,137,753	716,515	28,069,388	9,155,080	125,943,731	

CRISTALERIAS DE CHILE S.A.  
NOTE 27: CHANGES IN NETWORTH - NUMBER OF SHARES

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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
-----	-----	-----
SINGLE	65,396,749	65,396,749

28. Other Non-Operating Income and Expenses

As of June 30, 2004 and 2003 non-operating income totals Th Ch\$ 667,949 and Th Ch\$ 416,672 respectively.

Non-operating Expenses were Th Ch\$ 1,179,937 in 2004 and Th Ch\$ 1,100,513 in 2003 respectively.

More detail is shown on the attached chart.

CRISTALERIAS DE CHILE S.A.

NOTE 28: OTHER NON-OPERATING INCOME AND EXPENSES

	2004 Th Ch\$	2003 Th Ch\$
	-----	-----
INCOME		
Miscellaneous Income	77,578	26,717
Tax exemptions	124,473	85,010
Offices and establishments rental	88,289	112,692
Sale of fixed assets	8,588	3,687
Indemnity for claims	0	67,258
Land granted	206,378	0
Sale of materials	6,084	7,157
Agricultural Division	15,519	0
Other various income	141,040	114,151
TOTAL NON-OPERATING INCOME	667,949	416,672
EXPENSES		
Professional advice	381,294	384,170
Soap opera charge and others	0	191
Personnel Finished Contracts	49,767	27,990
Suppliers and eventualities	70,149	136,523
Share of Board of Directors	71,067	57,962

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Trademarks amortization	27,864	26,019
Frequency amortization	81,343	75,010
Audit fees	2,317	0
Higher income Tax previous year	146,290	36,436
Loss in sales of fixed assets	106,212	30,154
Licenses	349	6,064
Other expenses	190,008	272,473
Insurance	24,917	21,968
ADR expenses	28,360	25,553
<b>TOTAL NON-OPERATING EXPENSES</b>	<b>1,179,937</b>	<b>1,100,513</b>

29. Price Level Restatements

As a result of the application of the adjustment for price level restatement as described in Note 2 e), there was a net charge to results in 2004 and 2003 in the amount of Th Ch\$ 307,756 and Th Ch\$ 668,200, respectively.

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 (CHARGES)/CREDITS	ADJUSTABILITY		
	INDEX	06-30-2004	06-30-2003
-----	-----	-----	-----
INVENTORY	CPI	213,970	148,100
FIXED ASSETS	CPI	1,416,455	1,384,662
INVESTMENTS IN RELATED COMPANIES	CPI	837,914	416,073
MARKETABLE SECURITIES	CPI	33,236	42,494
SHORT-TERM DEBTORS	CPI	61,107	34,666
LONG-TERM DEBTORS	UF	2,543	2,167
ACCOUNTS RECEIVABLE RELATED COMPANIES	CPI	117,495	1,314,695
OTHER NON-MONETARY ASSETS	CPI	97,309	353,383
EXPENSE AND COST ACCOUNTS	CPI	525,143	1,076,604
<b>TOTAL (CHARGES)/CREDITS</b>		<b>3,305,172</b>	<b>4,772,844</b>
LIABILITIES (CHARGES)/ CREDITS			
NET WORTH	CPI	-1,812,057	-2,587,697
ACCOUNTS PAYABLE RELATED COMPANIES	UF	13	-49
BANK LOANS	UF	0	-18,578
SHORT-TERM RESERVES	CPI	-96,579	-18,884
LONG-TERM BANK LOANS	UF	0	-60,607
LONG-TERM RESERVES	CPI	-79,482	-54,666
LONG-TERM CREDITORS	CPI	-18,273	-578
OBLIGATIONS WITH THE PUBLIC	CPI	-502,785	-1,152,628
MINORITY INTEREST	CPI	-121,451	-402,955
OTHER LIABILITIES	CPI	-3,014	-135,090
SHORT-TERM CREDITORS	CPI	-4,826	0
NON-MONETARY LIABILITIES	CPI	-136,842	-99,079
INCOME ACCOUNTS	CPI	-837,632	-910,234
<b>TOTAL (CHARGES)/ CREDITS</b>		<b>-3,612,928</b>	<b>-5,441,045</b>
(LOSS) INCOME FROM ADJUSTMENT			



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FOR PRICE LEVEL RESTATEMENT

-307,756

-668,200

30. Exchange Differences

There is a net credit to results in the 2004 fiscal year of Th Ch\$ 2,418,146 and a net charge to results of Th Ch\$ 4,463,986 in 2003, as a consequence of exchange differences.

According to dispositions set by Circular No. 1560 of the SVS, the net effect on results of the adjustment of assets and liabilities adjustable in foreign currency discounting inflationary effects is presented on this item.

More information is shown on the attached chart.

Cristalerias de Chile S.A.

NOTE 30: EXCHANGE DIFFERENCES

ITEM	CURRENCY	AMOUNT	
		06-30-2004	06-30-2003
ASSETS (CHARGES) / CREDITS			
CURRENT ASSETS	DOLLARS	716,428	-408,199
CURRENT ASSETS	OTHER CUR.	76,766	-44,809
CLIENTS	DOLLARS	173,052	-205,334
CLIENTS	OTHER CUR	182,686	302,485
TIME DEPOSITS	DOLLARS	0	-158,938
INVENTORY	DOLLARS	85,459	-114,669
LONG TERM PLACEMENTS	DOLLARS	573,673	-588,092
FUTURE CONTRACT EFFECT	DOLLARS	-12,768	-295,465
OTHER ASSETS	DOLLARS	616,227	-21,066
OTHER ASSETS	OTHER CUR.	26,300	-15,061
INFLATIONARY EFFECT	DOLLARS	-194,685	-124,018
MARKETABLE SECURITIES	DOLLARS	1,742,267	-1,508,055
MARKETABLE SECURITIES	EUROS	1,157,849	0
LONG-TERM FIXED	DOLLARS	43,370	0
MISCELLANEOUS CREDITORS	DOLLARS	7,036	0
TOTAL (CHARGES) CREDITS		5,193,660	-3,181,221
LIABILITIES (CHARGES) CREDITS			
ACCOUNT PAYABLE	DOLLARS	-55,086	84,982
DOCUMENTS PAYABLE	DOLLARS	-79,098	153,141
DOCUMENTS PAYABLE	OTHER CUR.	-6,397	-19,095
MISCELLANEOUS CREDITORS SHORT TERM	DOLLARS	-40,954	15,151
SHORT TERM RESERVES	DOLLARS	-137,927	2,353
LONG-TERM BANK CREDITS	DOLLARS	2,125,000	980,347
LONG TERM RESERVES	DOLLARS	-127,586	61,448
OTHER LONG-TERM LIABILITIES	DOLLARS	-248,295	-193,499
OTHER LONG-TERM LIABILITIES	OTHER CUR.	-92,978	-53,160
MISCELLANEOUS LONG-TERM CREDITORS	DOLLARS	-9,994	3,943
FUTURE CONTRACT EFFECT	DOLLARS	30,112	-2,754,341
INFLATIONARY EFFECT	DOLLARS	118,428	435,965
SHORT-TERM BANK CREDITS	DOLLARS	-739	-
TOTAL (DEBITS) CREDITS		-2,775,514	-1,282,765
(LOSS) PROFIT FROM EXCHANGE DIFFERENCES		2,418,146	-4,463,986

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### 31. Extraordinary Items

As of June 30, 2004 and 2003 there are no transactions for this concept.

### 32. Expenses for 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, which produced placement expenses, which as of June 30, 2004 totaled Th Ch\$ 3,526,957 (Th Ch\$ 3,911,833 in 2003).

The charge to results for the amortization of these expenses is Th Ch\$ 232,779 in 2004 (Th Ch\$ 183,706 in 2003), and is realized according to the maturity of each series.

Detail of expenses is as follows:

DETAILS	2004 Th Ch\$		2003 Th Ch\$	
	Short- Term	Long- Term	Short- Term	Long- Term
Placement rate differential	198,933	2,195,227	199,477	2,404,145
Stamp and Seal Tax	143,460	904,588	143,992	1,043,401
Bonds placement Commission and others	18,076	66,673	23,085	97,733
Total	360,469	3,166,488	366,554	3,545,279

### 33. Cash Flow Statement

#### CASH FLOW STATEMENT

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

	2004 Th Ch\$		2003 Th Ch\$	
541.11.40 Other Income Received				
Treasury Refund Income Tax and other taxes	15,000		981,808	

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	Recover VAT exportation	672,946	975,801
	Insurance Severance	0	67,258
	Discount for paid of customs duties	54,737	0
	Exchange difference	100,216	293,398
	Loan Adjustment	42,646	0
	Tax exemption	124,473	0
	Other income	143,177	220,725
	Total	1,153,195	2,538,990
541.11.80	Other expenses paid		
	Exchange difference	149,150	2,084,888
	Donations	41,663	25,849
	Personnel contracts Finished	49,767	27,990
	Advice Services	71,750	69,840
	Shareholder's bonds	78,303	57,962
	Other expenses	323,996	419,560
	Total	714,629	2,686,089
541.13.30	Other income from investments		
	Maturity of future contracts	0	1,965,366
	Total	0	1,965,366
541.13.65	Other investment disbursements		
	Purchase of shares	0	319,759
	Future contracts	235,203	0
	Others	0	0
	Total	235,203	319,759

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

ITEM	Amount Th Ch \$	Due Date
Dividend 158 payable	(1,280,000)	July 2004
Investment imports payable	(537,365)	2nd semester 2004
Total	(1,817,365)	

### 34. Derivative Contracts

#### FUTURE CONTRACTS IN FOREIGN CURRENCY

As of June 30 2004 the Parent Company and its subsidiaries S.A. Vina Santa Rita have signed future sale contracts in foreign currency of Th US\$ 81,600 and future purchase contracts of Th US\$ 42,600 in 2004 (purchase contracts for Th US\$ 131,200 in 2003) subject to the regulations of 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 June 30, 2004 and 2003 have been taken both to shelter from variations of the exchange rate of the

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American dollar (contracts of existing transactions) as well as investment.

Forward contracts taken in order to cover existing items are related, according to management, with covering the Company's obligations in dollars. According to Bulletin No.57 of the Accountants Association of Chile, A.G., results generated by these contracts are recognized in results as long as effects from items subject to coverage are recognized.

CRISTALERIAS DE CHILE S.A.  
NOTE 34: DERIVATIVE CONTRACTS

TYPE OF DERIVATIVE	TYPE OF CONTRACT	VALUE OF CONTRACT	MATURITY OR EXPIRATION DATE	SPECIFIC ITEM	PURCHASE/SALE POSITION	DESCRIPTION OF CONTRACTS		VALUE OF PROTECTED ITEM	ASSET
						PROTECTED ITEM OR TRANSACTION NAME	AMOUNT		
FR	CI	25,992,590	THIRD 2004	EXCH RATE	P	-	-	-	LIABIL
FR	CI	36,977,320	THIRD 2004	EXCH RATE	S	-	-	-	ASSETS
FR	CI	1,931,256	FOURTH 2004	EXCH RATE	S	-	-	-	ASSETS
FR	CCPE	1,384,520	THIRD 2004	EXCH RATE	P	DOLLAR LOAN	1,384,520	1,272,600	LIABIL
FR	CI	2,076,780	THIRD 2004	EXCH RATE	P	-	-	-	LIABIL
FR	CI	11,472,970	THIRD 2004	EXCH RATE	S	-	-	-	ASSETS
FR	CI	3,216,050	FOURTH 2004	EXCH RATE	S	-	-	-	ASSETS

### 35. Contingencies and Restrictions

#### CONTINGENCIES AND COMMITMENTS

As of June 30, 2004, there are guarantees delivered in the amount of Th Ch\$ 16,857,739 (Th Ch\$ 18,486,174 in 2003), according to the detail in the attached chart.

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

As of June 30, 2004 and 2003 there are pending lawsuits and other legal actions corresponding to the subsidiary Red Televisiva Megavisión, which are presented in the annexed chart.

#### RESTRICTIONS

##### I) SYNDICATED LOAN

In relation to the syndicated loan subscribed with JP Morgan Chase Bank and

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other 8 creditor banks for US\$ 50 million, the following specific financial obligations exist:

### a) TOTAL CONSOLIDATED DEBT TO CAPITALIZATION RATIO

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

Consolidated EBITDA is described as the sum of 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 aggregated 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 4.0 ratio at any time.

Interest coverage is defined as interests at the day of the respective determination, the ratio between non consolidated EBITDA for the period of 4 consecutive fiscal quarters that ends on, or most recently ended before, that date, and interest expenses for that period.

### d) NET EQUITY

Cristalerias de Chile S.A. will maintain a minimum of UF 10,000,000.

As of June 30, 2004 Cristalerias de Chile S.A. complies with 100% of restrictions agreed with the lending banks.

## II) BOND ISSUE

The contract of bonds issue with date May 29, 2002 signed with Banco Chile as the bond owner's representative, established, among others the following financial obligations:

### a) Financial Indicators

Individual Balance: Leverage not higher than 1.2 times.  
Consolidate Balance: Leverage not higher than 1.4 times.

### b) Insurances for assets of the company and its subsidiaries.

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

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

As of June 30, 2004 and 2003 Cristalerias de Chile S.A. complies with 100% of

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the restrictions imposed by the bonds creditors.

OTHER CONTINGENCIES

As of the closing date of financial statements, management is not aware of any other contingencies that could affect the company.

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NOTE 35: CONTINGENCIES AND RESTRICTIONS - DIRECT GUARANTEES

CREDITOR OF GUARANTEE	DEBTOR NAME	RELATION- SHIP	TYPE OF GUARANTEE	ASSETS COMMITTED		BALANCES PENDING PAYMENT AS OF CLOSING DATE OF FINANCIAL STATEMENTS		
				TYPE	BOOK VALUE	06/30/2004	06/30/2003	06/30/ 2005
EDIFICIO METROPOLIS AGF	CRISTALERIAS DE CHILE S.A.	COMMERCIAL	TIME DEPOSIT	FLOOR	15,822	15,822	7,999	0
BANCO SANTANDER CHILE	RED TELEVISIVA MEGAVISION	COMMERCIAL	MORTGAGE	LAND	3,408,506	1,654,262	2,129,203	502,917
SCOTIABANK	RED TELEVISIVA MEGAVISION	COMMERCIAL	PLEDGE	TV EQUIP	157,162	1,636,386	2,061,863	411,414
BANCO CREDITO E INVERSIONES	RED TELEVISIVA MEGAVISION	COMMERCIAL	MORTGAGE	TV EQUIP	31,385	297,929	470,695	170,317
SUNDRY CLIENTS	RED TELEVISIVA MEGAVISION	COMMERCIAL	ADVERTIS- ING	-	0	13,253,340	13,816,414	0

CRISTALERIAS DE CHILE S.A.

NOTE 35: CONTINGENCIES AND RESTRICTIONS - INDIRECT GUARANTEES

DEBTOR	ASSETS COMMITTED	BALANCES PENDING PAYMENT AS OF CLOSING DATE OF FINANCIAL STATEMENTS
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CREDITOR OF GUARANTEE	NAME	RELATION- SHIP	TYPE OF GUARANTEE	BOOK TYPE	BOOK VALUE	06/30/2004	06/30/2003	06/30/ 2005	AS
Societe des Participations Financieres et Industrielles	RAYEN CURA S.A.I.C.	AFFILIATE	SOLIDARY	0	0	1,832,545	2,835,765	733,018	
Envases CMF guarantee P.I.A.S	CRISTALERIAS DE CHILE S.A.	AFFILIATE	SOLIDARY	0	0	207,423	331,333		0

CRISTALERIAS DE CHILE S.A.  
NOTE 35: Trials

Court	Cause Rol No.	Origin	Stage	Committed amount (approximately Th Ch\$)
12	3025-1997	Civil	Given sentence in first verdict in favor of Megavision	100,000
16	4822-1999	Civil	Given sentence in first verdict against Megavision	10,000
1	1242-2000	Labor	First verdict pending	10,000
5	3468-2001	Labor	First verdict pending	3,000
1	4391-2003	Labor	First verdict	2,100
C. of Appeals	7643-2000	CNTV	Verdict pending	900

36. Guarantees obtained from third parties

As of June 30, 2004 and 2003 the Parent Company and the subsidiary S.A. Vina Santa Rita have received guarantees from third parties that are shown below:

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Concept	2004 ThCh\$	2003 ThCh\$
Rental of Property Cafe Sur Andino (UF 260)	4,424	0
Rental of Property Banco Security	5,173	5,186
Rental of Property to Telecomunicaciones Cono Sur Ltda. (UF 130)	0	2,218
Rental of Property Office AGF Building (UF 365.9)	6,226	6,242
Rental of Property Office Metropolis (UF 189.2)	3,219	3,228
Sight drafts suppliers	1,674	1,684
Installation of Buin Tanks (Tersanoix S.A.)	0	157,127
Grape purchase (contracts)	928,011	1,061,681
Mortgages (grape purchase)	138,523	0
C y CPO Constructora (Salon Andino Sta. Rita)	162,860	0
Purchase of vine stem cuttings and plants (Intelmaq)	0	36,856
Transporters Guarantee Check	42,000	0
Underground materials storehouse Buin Salfa Montajes	0	33,474
	-----	-----
	1,292,110	1,307,696
	=====	=====

37. Local and Foreign Currency

Charts are attached showing the foreign currency balance as of June 30, 2004 and 2003.

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Cristaleras de Chile S.A.

NOTE 37: LOCAL AND FOREIGN CURRENCY - ASSETS

Items	Currency	Amount	
		06-30-2004	06-30-2003
Available funds	Non-adjust. Ch\$	1,776,757	1,845,203
	Other currencies	0	11,590
	Dollars	507,374	702,002
	Euros	38,068	4,837
	Argentine Peso	12,036	24,844
Time deposits	Dollars	0	11,046,647
	Non-adjust Ch\$	5,353,974	1,105,088
Marketable Securities	Adjustable Ch\$	4,187,786	4,183,939
	Dollars	34,310,339	63,534,899
Sales receivable	Non-adjust Ch\$	31,002,822	25,604,815
	Dollars	4,004,413	4,523,946
	Euros	2,775,176	3,013,788
	Other currencies	2,808,254	1,860,252
	Argentine Peso	328,784	237,887
Documents Receivable	Non-adjust. Ch\$	4,752,368	4,522,443
	Argentine Peso	13,620	18,685
Sundry Debtors	Euros	0	1,844
	Non-adjust. Ch\$	2,201,758	785,656



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	Adjustable Ch\$	108,547	93,486
	Dollars	672,560	657,154
	Argentine Peso	30,187	221,268
Documentos and Accts. Receivable	Dollars	447,698	0
	Non-adjust. Ch\$	3,134,306	560,059
	Adjustable Ch\$	109,701	15,822
Inventory	Adjustable Ch\$	43,194,598	38,645,382
	Dollars	2,898,907	5,696,404
	Argentine Peso	701,782	700,021
Taxes Receivable	Argentine Peso	148,675	19,032
	Non-adjust. Ch\$	41,871	1,306,305
	Adjustable Ch\$	1,289,987	696,695
	Dollars	0	27,011
Prepaid expenses	Adjustable Ch\$	786,123	1,104,642
	Non-adjust. Ch\$	876,359	283,441
	Dollars	322,648	363,627
	Argentine Peso	0	27,373
Deferred Taxes	Non-adjust. Ch\$	829,545	726,850
	Adjustable Ch\$	911,489	253,273
Other Current Assets	Non-adjust. Ch\$	10,415,727	5,963,131
	Adjustable Ch\$	634,012	1,345,974
	Dollars	261,775	3,386,464
Available funds	Adjustable Ch\$	3,036	0
Time Deposit	Adjustable Ch\$	30,487	0
Marketable Securities	Euros	29,132,370	0
	Non-adjust. Ch\$	176,393	0
Inventory	Non-adjust. Ch\$	423,301	0
FIXED ASSETS	Adjustable Ch\$	135,583,958	140,831,612
Investments in related companies	Adjustable Ch\$	87,808,495	93,491,493
Investments in other companies	Adjustable Ch\$	788,803	831,373
Negative Goodwill	Adjustable Ch\$	4,622,147	4,213,759
	Dollars	4,373,151	5,150,694
Long-term debtors	Adjustable Ch\$	140,800	173,463
Documents receivable in rel.companies	Non-adjust. Ch\$	855,171	2,883
Intangibles	Adjustable Ch\$	11,913,536	11,874,078
Amortization	Adjustable Ch\$	-1,325,968	-1,109,319
Other	Adjustable Ch\$	2,971,838	4,469,809
	Non-adjust. Ch\$	999,814	496,565
	Dollars	9,210,430	10,366,195
	Argentine Peso	581,434	0
Long-term debtors	Dollars	63,630	0
Documents receivable in rel.companies	Adjustable Ch\$	251,385	0
Investments in related companies	Dollars	12,955,478	13,724,552
Total Assets	Non-adjust. Ch\$	62,840,166	43,202,439
	Other currencies	2,808,254	1,871,842
	Dollars	70,028,403	119,179,595
	Euros	31,945,614	3,020,469
	Argentine Pesos	1,816,518	1,249,110
	Adjustable Ch\$	294,010,760	301,115,481

Cristalerias de Chile S.A.

NOTE 37: LOCAL AND FOREIGN CURRENCY - CURRENT LIABILITIES

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ITEM	Currency	Up to 90 days				Am Tho
		06.30.2004		06.30.2003		
		Amount Thou Ch\$	Avg. Annual Int. Rate	Amount Thou Ch\$	Avg. Annual Int. Rate	
<b>Current Liabilities</b>						
Short-term obligations with banks and financial institutions	Adjust. Ch\$	0	-	0	-	
	Argentine Peso	0	-	19,951	2.370	
	Other currencies	0	-	0	-	
Long-term obligations with banks and financial institutions	Other currencies	316,169	2.88	326,448	5.390	8
	Dollars	233,400	1.72	260,323	2.20	9
	Non-adjust. Ch\$	0	-	0	-	2
	Dollars	139,500	2.05	156,829	2.113	
	Adjust. Ch\$	0	-	0	-	
	Dollars	2,157	10.42	31,914	11.14	
Obligations with the public	Adjust. Ch\$	741,140	4.75	738,715	4.75	
Obligations with the public	Adjust. Ch\$	947,824	5.80	944,722	5.80	
Dividends payable	Non-adjust. Ch\$	652,088	-	510,759	-	
Accounts payable	Dollars	344,429	-	1,018,180	-	1
	Non-adjust. Ch\$	15,330,404	-	15,985,851	-	
	Other currencies	5,920	-	3,493	-	
	Euros	19,707	-	16,221	-	
	Argentine Peso	198,055	-	135,631	-	
Documents Payable	Adjust. Ch\$	0	-	0	-	
	Dollars	2,905,546	-	2,990,306	-	
	Argentine Peso	48,486	-	54,017	-	
	Euros	215,111	-	106,418	-	
	Other currencies	4,269	-	556,203	-	
Sundry Creditors	Non-adjust. Ch\$	277,800	-	280,025	-	
	Dollars	613,151	-	2,266,588	-	
	Adjust. Ch\$	238	-	295	-	
Docts and accts payable to rel co.	Adjust. Ch\$	1,761	-	3,549	-	
	Non-adjust. Ch\$	813,161	-	460,068	-	
	Argentine Peso	0	-	266,464	-	
	Dollars	289,792	-	0	-	
Provisions	Adjust. Ch\$	376,567	-	317,019	-	1
	Non-adjust. Ch\$	11,762,814	-	9,224,782	-	2
	Dollars	1,177,895	-	1,222,852	-	1,9
	Argentine Peso	90,197	-	39,582	-	
	Euros	726,836	-	398,799	-	
	Other currencies	702,084	-	470,847	-	
Withholdings	Non-adjust. Ch\$	2,282,069	-	1,433,397	-	
	Dollars	0	-	19,068	-	
	Argentine Peso	11,520	-	19,419	-	

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Prepaid income	Non-adjust. Ch\$	4,136,733	3,992,961	
Other Current Liabilities	Adjust. Ch\$	0	4,995,904	
	Dollars	1,920,957	909,776	
Total Current Liabilities				
-	Argentine Pesos	348,258	535,064	-
-	Other currencies	1,028,442	1,356,991	-
-	Dollars	7,626,827	8,875,836	-
-	Non-adjust Ch\$	35,255,069	31,887,843	-
-	Adjust. Ch\$	2,067,530	7,000,204	-
-	Euros	961,654	521,438	-

Cristalerias de Chile S.A.

NOTE 37: LOCAL AND FOREIGN CURRENCY - LONG-TERM LIABILITIES CURRENT PERIOD  
06-30-2004

ITEM	Currency	1-3 Years		3-5 years		5-
		Amount Thou Ch\$	Average Interest Rate	Amount Thou Ch\$	Average Interest Rate	Amou Thou
Obligations with Banks and Financial Institutions	Dollars	7,953,750	2.05	23,861,250	2.05	
	Argentine Peso	48,087	2.48	10,506	2.48	
	Non-adjust. Ch\$	398,360	4.94	0	-	
	Adjustable Ch\$	2,872,248	2.88	122,773	2.88	
Obligations with the public	Adjustable Ch\$	3,403,490	6.29	0	-	34,029
	Adjustable Ch\$	0	-	0	-	
Sundry creditors	Dollars	123,743	12.25	0	-	
	Adjustable Ch\$	38,781	-	0	-	
	Dollars	20,930	11.02	3,991	6.07	
	Adjustable Ch\$	1,190	7.00	0	-	
	Dollars	16,966	-	0	-	
Long-term provisions	Dollars	2,196,952	-	0	-	
	Adjustable Ch\$	4,220,678	-	0	-	
Deferred taxes	Adjustable Ch\$	2,773,948	-	0	-	
	Non-adjust. Ch\$	1,878,079	-	0	-	
Total long-term liabilities						
-	Dollars	10,312,071	-	23,865,241	-	
-	Argentine Peso	48,087	-	10,506	-	
-	Non-adjust. Ch\$	2,276,439	-	0	-	
-	Adjustable Ch\$	13,310,335	-	122,773	-	34,029

Cristalerias de Chile S.A.

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NOTE 37: LOCAL AND FOREIGN CURRENCY - LONG-TERM LIABILITIES PREVIOUS PERIOD  
06-30-2003

ITEM	Currency	1-3 Years		3-5 years		5-
		Amount Thou Ch\$	Average Interest Rate	Amount Thou Ch\$	Average Interest Rate	Thou
Obligations with banks and financial institutions	Dollars	8,791,434	2.113	26,374,302	2.113	
	Dollars	73,391	2.58	0	-	
	Argentine Peso	1,348,302	1.94	0	-	
	Non-adjust. Ch\$	534,333	4.94	133,583	4.94	
	Adjustable Ch\$	4,143,357	5.39	640,337	5.49	
Obligations with public	Adjustable Ch\$	3,412,286	6.25	0	-	34,122
	Adjustable Ch\$	0	-	0	-	
Long-term creditors	Adjustable Ch\$	45,111	-	0	-	
	Dollars	141,433	12.25	0	-	
	Dollars	95,376	11.28	4,574	9.42	
	Adjustable Ch\$	2,378	7.00	0	-	
	Non-adjust. Ch\$	63,472	-	0	-	
Long-Term provisions	Dollars	3,441,104	-	0	-	
	Adjustable Ch\$	4,137,197	-	0	-	
Deferred taxes	Adjustable Ch\$	2,473,049	-	0	-	
	Non-adjust. Ch\$	2,036,947	-	0	-	
Total long-term liabilities						
-	Dollars	12,542,738	-	26,378,876	-	
-	Argentine Peso	1,348,302	-	0	-	
-	Non-adjust. Ch\$	2,634,752	-	133,583	-	
-	Adjustable Ch\$	14,213,378	-	640,337	-	34,122

38. Penalties

As of June 30, 2004 and 2003 the SVS and other administrative authorities have not imposed any penalties to the company, its directors or its management.

39. Subsequent Events

On June 22, 2004, the Parent Company agreed to pay interim dividend No. 158 of

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Ch\$ 20 per share over 64,000,000 shares (Th Ch\$ 1,280,000), which was made effective on July 15, 2004.

At the closing date of financial statements and the date of issue of the present report there were no subsequent events that could significantly affect the economic and financial situation of the Company.

### 40. COMPANIES UNDER SPECIAL NORM

Not applicable.

### 41. ENVIRONMENT

In line with its permanent commitment with environment preservation the Company has effected as of June 2004 payments for advisories for this concept of Th Ch\$ 2,644, that have been charged to results of the fiscal year 2004.

During fiscal year 2003 the Parent Company carried out investments of ThCh\$ 206,705, which corresponded to the purchase of NOX emission treatment equipment installed at new Furnace B.

The subsidiary S.A. Vina Santa Rita has invested Th Ch\$ 40,286 during the period January - June 2004 (Th Ch\$ 7,961 in 2003) in order to comply with ordinances and laws related to Industrial Process and Installations.

### 42. STOCK TRANSACTIONS

As of June 30, 2004 and 2003 the following stock transactions were carried out by members of the board, majority stockholders and related individuals:

#### TRANSACTIONS OF INDIVIDUALS RELATED TO MEMBERS OF THE BOARD

NAME	Initial	2004		2003	
		Purchase	Sale	Purchase	Sale
Asesorias Portofino Ltda.	BSG	21,000	0	0	0
Inmobiliaria Villarrica Ltda.	RCV	181,669	0	0	0
Vial de Claro Maria Luisa	RCV	650	0	0	0

- o BSG related with Director Mr. Baltazar Sanchez
- o RCV related with the President Mr. Ricardo Claro

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### TRANSACTIONS OF DIRECTORS, MANAGEMENT AND ACCOUNT INSPECTORS

None.

### TRANSACTIONS OF MAJORITY SHAREHOLDERS

None.

### 43. DISTRIBUTION OF SHAREHOLDERS

The distribution of stockholders as of June 30, 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 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 OF DIRECTORS REMUNERATIONS

As of June 30, 2004 and 2003 Th Ch\$ 343,910 and Th Ch\$ 901,660 were paid and provisioned by the Parent Company and the subsidiary S.A. Vina Santa Rita, respectively, according to the following detail:

	2004 ThCh\$	2003 ThCh\$
Participation of previous fiscal year profits	336,073	896,098
Compensations for assistance to sessions	5,576	4,212
Board Committee compensation	2,261	1,350
	-	-
	-----	-----

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TOTAL	343,910	901,660
	=====	=====

On the other hand, Th Ch\$ 356,078 and Th Ch\$ 166,756 respectively have been provisioned for participation of year 2004 and 2003.

45. TIME DEPOSITS

As of June 30, 2004 and 2003 the company presents the following information:

INSTITUTION	CURRENCY	2004 Th\$	2003 Th\$
-----	-----	-----	-----
Banco Santander New York	US\$	0	1,091,155
Banco Deutsche Bank Chile S.A.	US\$	0	2,397,748
Banco de Santander	US\$	0	4,510,021
Banco Chile	US\$	0	2,446,112
Banco de Credito e Inversiones	US\$	0	601,611
Banco de Santander	\$	5,004,267	433,451
Banco de Chile	\$	380,194	302,806
BankBoston	\$	0	368,831
		-	-
		-----	-----
TOTAL		5,384,461	12,151,735
		=====	=====

RELEVANT EVENTS

On June 23, 2004, the SVS was informed that in the previous day, the Board of the Company had approved a US\$ 210 million investment plan, in order to duplicate the production of glass containers in a 10 year period.

The first stage of the development plan considers the construction of a new plant, equipped with 4 new fabrication lines and a furnace with a production capacity of 360 tons per day, which supposes a US\$ 110 million investment and that would be financed by a combination of internal resources and credits. Start of operations is scheduled for 2006 and will allow to increase the present capacity of production by 35%.

The following stages of expansion imply adding 7 fabrication lines and 2 furnaces with production capacities over 400 tons per day, which will be materialized in successive stages, in line with market needs.

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CRISTALERIAS DE CHILE S.A.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2004

1.- CONSOLIDATED FINANCIAL INDICATORS

		06-30-2004	06-30-2003	12-31-2003
		-----	-----	-----
<b>LIQUIDITY</b>				
Current liquidity	times	3.67	3.29	4.44
Acid ratio	times	2.67	2.40	3.40
<b>INDEBTEDNESS</b>				
Leverage ratio	times	0.80	0.87	0.75
Short-term debt	%	27.63	27.98	21.59
Long-term debt	%	72.37	72.02	78.41
Interest expenses Coverage	times	4.15	2.16	2.03
<b>ACTIVITY</b>				
Total assets	MM Ch\$	463,450	469,639	441,449
Investments	MM Ch\$	6,454	18,083	27,805
Disposal of property	MM Ch\$	69	287	372
Inventory turnover	Times	n.a.	n.a.	n.a.
Inventory permanence	Days	n.a.	n.a.	n.a.
<b>RESULTS</b>				
Sales	MM Ch\$	80,299	76,938	171,301
Cost of sales	MM Ch\$	51,375	49,280	106,531
Operating income	MM Ch\$	15,734	15,613	37,943
Interest expenses	MM Ch\$	3,338	3,498	6,884
Non-operating results	MM Ch\$	(4,239)	(9,885)	(28,251)
E.B.I.T.D.A.	MM Ch\$	21,905	14,934	29,388
After-tax income	MM Ch\$	7,125	2,958	6,478
<b>PROFITABILITY</b>				
Return on equity	%	3.1	1.3	2.8
Return on assets	%	1.5	0.6	1.5
Return on operating assets	%	6.4	6.6	16.4
Profit per share	\$	111.3	46.2	101.2
Return on dividends	%	1.4	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:	Profit 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
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.



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

### LIQUIDITY INDICES

An increase in the index can be observed with respect to June 2003 in the liquidity index as a consequence the payment of current portion of the long-term bank debt and an increase sales debtors due to higher sales.

### INDEBTEDNESS INDICES

Indebtedness index shows a decrease with respect to June 2003 due to a decrease of liabilities. The distribution of the short-term and long-term debt remains stable.

The interest expenses coverage ratio shows an increase with respect to the previous year, due to higher net income during the first half of 2004.

### PROFITABILITY INDICES

Equity and assets profitability indices show an increase with respect to first half 2003, due to a higher net income during the present fiscal year.

In spite of the increase of the operating income of the profitability indices of the operating assets decreases slightly, due to an increase of these assets.

Income per share shows an increase with respect to the previous period due to the higher income during the present semester with respect to the first semester of year 2003.

On the other hand, return of dividends shows a decrease with respect to the previous year, due to lower dividends distributed during the last 12 months.

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

The financial statements as of June 30, 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 June 30, 2004 there were financial investments in stocks recorded in the accounting according to their purchase price at Ch\$ 4,188 million whose market value on the same date was Ch\$ 5,410 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.

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Cristalerias' consolidated sales reached Ch\$ 80,299 million, 4.4% over 2003. Higher sales result fundamentally from higher sales at Santa Rita (6.7%) and CIECSA (10.3%), partially compensated by lower sales in the glass container business (-0.7%). Consolidated operating income reached Ch\$ 15,734 million, compared with Ch\$ 15,613 million in 2003, of which the glass container business contributed Ch\$ 10,135 million (Ch\$ 9,685 million in 2003), Santa Rita Ch\$ 4,149 million (Ch\$ 4,997 million in 2003) and CIECSA Ch\$ 1,417 million (Ch\$ 808 million in 2003).

The Company's net income was Ch\$ 7,125 million, compared with Ch\$ 2,958 million in 2003. This result is mainly explained by a better non-operating result.

During 2004 the Company registered a consolidated non-operating loss of Ch\$ 4,239 million, compared with a Ch\$ 9,885 million non-operating loss in 2003. The former is mainly explained by an income from exchange differences of Ch\$ 2,418 million in 2004 vs. a Ch\$ 4,464 million loss in 2003; partially compensated by a higher net loss from subsidiaries that do not consolidate, that passed from Ch\$ 1,920 million in 2003 to Ch\$ 3,166 million in 2004, fundamentally due to lower results at Metropolis-Intercom and Envases CMF. The net loss from subsidiaries includes a Ch\$ 2,088 million charge in 2004 (Ch\$ 2,095 million 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\$ 33,298 million, compared to Ch\$ 33,524 million in the previous fiscal year. Volumes sold increased by 7.4%, reaching 120,393 tons., mainly due to higher sales of bottles for wine, the returnable beer and food markets; partially compensated by lower sales to the non-returnable beer, liquor and soft drinks markets. Average prices declined by 7.5%, mainly explained by the strong decrease in the US\$/Peso exchange rate that passed from Ch\$ 723,66 per to dollar on average during the first semester of 2003 to Ch\$ 608,22 per dollar on average during the first semester of 2004. Operating income reached Ch\$ 10,135 million, 4.6% over 2003.

Non-operating result was a Ch\$ 1,449 million loss, which compares to a Ch\$ 5,986 million loss in 2003. The former is mainly explained by an income from exchange differences of Ch\$ 1,391 million in 2004, compared to a Ch\$ 3,617 million loss in 2003. During 2004 a higher loss in Cristalchile Comunicaciones (owner of 50% of Metropolis -Intercom) is registered and a lower income in Envases CMF. The former was partially compensated by higher income in CIECSA and Vina Santa Rita.

### 3c. Result in Subsidiaries

Santa Rita's net income reached Ch\$ 3,553 million, 23.3% over 2003. In the local market, prices increased by 10.0% in real terms, while volumes increased by 9.5%. Sales in this market increased by 20.4% reaching Ch\$ 17,383 million. During the period, export volume sales increased by 6.6%, representing 50.2% of total revenues, in the amount of US\$ 30.0 million (US\$ 26.8 million in 2003). Operating income reached Ch\$ 4,149 million compared with Ch\$ 4,997 million in 2003, fundamentally due to higher costs of musts and a decrease of the Peso/US\$ exchange rate that affects export returns. Santa Rita's average price in dollars per case for the export market reached US\$ 34.1 (US\$ 32.4 in 2003), while the average price for the industry was US\$ 24.3 per case (US\$ 23.7 in 2003). Santa Rita had a Ch\$ 364 million non-operating income, compared to a Ch\$ 1,385 million loss in

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2003, mainly due to a income from exchange differences of Ch\$ 965 million compared with Ch\$ 740 million loss in 2003.

Red Televisiva Megavisión, CIECSA's main subsidiary, registered a Ch\$1,125 million operating income, compared with an Ch\$ 814 million operating income in 2003. MEGA reached the first place in audience with an audience viewership share of 25.4% during the period(1) (22.7% in 2003). Net sales increased by 8.3% reaching Ch\$ 12,341 million, due to an increase in live programming, which has resulted in higher audience levels. MEGA had an Ch\$ 811 million net income (Ch\$ 210 million income in 2003). CIECSA's net income was Ch\$ 927 million, compared to Ch\$ 75 million income the previous year.

Envases CMF S.A. registered a Ch\$ 298 million net income in 2004 compared with a Ch\$1,226 million net income in 2003. This is mainly explained by the non-operating result, which during 2003 registered a net income from price level restatement and exchange differences of Ch\$ 435 million, compared to a Ch\$ 205 million loss during the present period. Sales reached Ch\$ 14,941 million during the period compared with Ch\$ 16,375 million in 2003. Volume sales decreased by 4.1%, reaching 10,557 tons, due to a decline in pre forms exports and lower sales of one-way formats; while average prices decreased by 5.1% influenced by the decrease of the Peso/US\$ rate of exchange. As a result the aforementioned operating income reached Ch\$ 1,191 million, compared with Ch\$ 1,615 million in 2003.

In the cable TV area, Cristalchile Comunicaciones S.A. (99.99% owned by Cristalerías), 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\$ 22,186 million, compared with Ch\$ 22,408 million in 2003. Metropolis-Intercom had a net loss of Ch\$ 5,962 million, compared with a net loss of Ch\$ 4,845 million in 2003. This lower result is mainly due to a one-time Ch\$ 775 million charge, that affects the non-operating result of the company. Metropolis-Intercom's EBITDA reached Ch\$3,192 million during the period (Ch\$ 2,944 million in 2003). The latter includes a depreciation charge of Ch\$ 7,338 million (Ch\$ 6,672 million in 2003) corresponding to the HFC network acquired in July 2000. The company ended the period with 223,820 basic subscribers (237,324 in 2003), 28,970 premium service subscribers (33,440 in 2003), 38,503 broadband internet subscribers (31,5% over 2003) and 9,255 IP telephony subscribers.

As a result of the above mentioned and a negative goodwill amortization charge through Cordillera Comunicaciones of Ch\$ 2,088 million during the year (Ch\$ 2,095 million in 2003), Cristalchile Comunicaciones recorded a net loss of Ch\$ 4,041 million (net loss of Ch\$3,468 million in 2003).

### INVESTMENTS

On June 23, 2004, Cristalerías de Chile announced that it will invest US\$210 million in a development plan that will allow it to duplicate its glass production installed capacity -from 300 thousand tons per year to 600 thousand tons per year- and adequately attend the increasing demand of its customers.

The initiative, that would be materialized in a term of up to 10 years, was approved unanimously by the Board and contemplates materialization in successive stages, according to market needs.

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(1) Measured between 6:30 A.M. and 1:30 A.M. (i.e:19 hours a day) from

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Monday through Sunday.

The first stage of the development plan considers the construction of a new plant, equipped with 4 new fabrication lines and a furnace with production capacity of 360 tons per day, that supposes US\$ 110 million investment and that would be financed by a combination of internal resources and credits. Start up of operations is scheduled for 2006 and will allow to increase the present production capacity by 35%.

Following stages of the expansion imply adding 7 fabrication lines and 2 furnaces with production capacities over 400 tons per day.

#### 4. CASH FLOW STATEMENT

As of June 30, 2004 a total net positive flow of Ch\$ 5,987 million was generated, which is explained by a positive flow generated by operating activities of Ch\$ 21,112 million which were partially offset by a negative financing flow of Ch\$ 3,929 million, and a negative flow of investment activities of Ch\$11,196 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\$ 3,135 million and loans payments for Ch\$ 648 million.

The negative investment flow is mainly explained by the incorporation of fixed assets of Ch\$ 7,253 million, and loans to related companies for Ch\$ 3,804 million.

The foregoing results in an increase in the final balance of cash and cash equivalent, once included the inflationary effect, which passed from Ch\$ 76,214 million as of December 31, 2003 to Ch\$ 82,283 million as of June 30, 2004.

According to the current regulations of the SVS and the Association of Accountants of Chile A.G., term deposits and agreements with due date less than 90 days have been considered cash and cash equivalent.

#### 5. INTEREST RATES AND EXCHANGE RATE RISK 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 June 30, 2004 Short-Term and Long-Term bank liabilities and obligations with the public totaled Ch\$ 130,028 million, which represents 28% of the Company's consolidated assets.

Bank loans totaled Ch\$ 38,108 million, of which Ch\$34,449 million correspond to credits in foreign currency agreed at variable rates related to the six-month Libor and 0.8% percentages point per year, Ch\$ 2,995 million correspond to credits in pesos adjustable in unidades de fomento (indexed currency units) are exposed to changes in the six-month TAB rate and Ch\$ 664 million correspond to credits in pesos at an annual rate of 4.94%.

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Of total obligations with the public of Ch\$ 91,920, Ch\$ 71,450 million correspond to bonds issued by the Company and Ch\$ 20,470 million to bonds issued by the subsidiary Vina Santa Rita, both a fixed interest rate.

As of June 30, 2004, the Company had funds available of Ch\$ 79,946 million invested in instruments at different tenors like term deposits, bonds, fixed-rate mutual funds and resale

agreements. Such amount does not includes bonds for a total of Ch\$8,539 million with maturity on September 15, 2005 and investments in shares for Ch\$ 4,188 million.

Currently the Company and its subsidiaries do not use secondary financial instruments 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 for the equivalent to US\$ 74.1 million, which represents 10.2% of its consolidated assets, and include a long-term syndicated loan of US\$ 50 million in Cristalchile.

As of June 30 the Company and its Subsidiaries maintain investments in Dollars of US\$ 68.3 million; in time deposits, bonds and fixed rate mutual funds. In addition it also has investments in EUROS 37.5 million in fixed rate and fixed rent instruments. Likewise it also has Dollar purchase future contracts of US\$42.6 million which are more than compensated by sale future contracts of US\$ 81.6 million.

On the other hand, aproximately 37.5% of consolidated income is indexed to the exchange rate variation. At the same time, the consolidated cost in foreign currency represents aproximately 29.6% of total costs.

### 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 20, 2004