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GLASSWORKS OF CHILE
Form 6-K
May 03, 2005

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

May 3, 2005

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

[LOGO] Cristalchile

NYSE: CGW
Santiago: CRISTALES
www.cristalchile.com

CONTACT IN SANTIAGO:
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FOR IMMEDIATE RELEASE

CRISTALERIAS DE CHILE REPORTS ITS RESULTS FOR FIRST QUARTER ENDED MARCH 31, 2005

Santiago, Chile (April 29, 2005) - Cristalerias de Chile S.A. ("Cristalerias"), a Chilean conglomerate and the largest producer of glass containers in Chile, today announced its results for the first quarter ended March 31, 2005. All figures have been prepared according to Chilean GAAP and are restated for general price-level changes and expressed in US Dollars at Ch\$585.93/US\$1, the exchange rate at the close of March 31, 2005.

1Q05 HIGHLIGHTS (vs. 1Q04):

- o Consolidated sales increased 5.6%
- o Operating income down 1.8%
- o EBITDA up 0.3%
- o Non-operating loss of US\$7.1 million in 1Q05 compared to a US\$2.3 million loss in 1Q04.
- o Net income of US\$1.1 million, compared to US\$4.5 million net income in 1Q04.
- o Earnings per ADR reached US\$0.05

CONSOLIDATED REVENUE

(in US\$ millions)	1Q05	1Q04	1Q05 vs.1Q04
	----	----	-----
TOTAL REVENUE	61.9	58.6	5.6%
Cristalchile (glass containers)	26.3	26.8	-2.1%
Vina Santa Rita (wine)	28.1	25.4	10.4%
CIECSA (media)	9.7	8.6	13.2%
Adjustments	2.2	2.2	N/A

RELATED COMPANIES

Metropolis-Intercom (cable TV)	19.5	18.8	3.8%
Envases CMF (plastic containers)	16.2	13.7	18.4%

CONSOLIDATED RESULTS

During 1Q05, Cristalerias' total consolidated revenue reached US\$61.9 million, a 5.6% increase compared to 1Q04. The main factors behind this increase were improved sales in Santa Rita (+10.4%) and CIECSA (+13.2%); partially compensated by lower sales in the glass container business (-2.1%). Adjustments for factors such as intercompany sales reached US\$2.2 million during the quarter.

[GRAPHIC OMITTED]

1Q05 Revenue Breakdown
Wine 44%

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Glass	41%
Media	15%

Consolidated operating income reached US\$9.1 million, compared to US\$9.3 million in 1Q04. This includes US\$7.1 million from the glass container business (US\$7.5 million in 1Q04), US\$1.4 million from Santa Rita (US\$1.8 million in 1Q04) and US\$0.5 million from CIECSA (US\$0.1 million loss in 1Q04).

During 1Q05, Cristalerias net income reached US\$1.1 million, compared to US\$4.5 million net income in 1Q04. This is mainly explained by a lower non-operating result, that passed from a US\$2.3 million loss in 1Q04, to a US\$7.1 million loss in 1Q05. The latter is mainly explained by a loss from exchange rate variations that reached US\$3.4 million in 1Q05, compared to a US\$2.4 million income in 1Q04. The net loss from subsidiaries that do not consolidate reached US\$2.6 million in 1Q05, compared to US\$3.0 million loss in 1Q04.

EBITDA: Operating cash generation reached US\$16.0 million, similar to 1Q04. EBITDA margin was 25.8% (27.2% in 1Q04).

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

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PACKAGING BUSINESS

Glass

Glass packaging sales reached US\$26.3 million during the quarter, compared to US\$26.8 million in 1Q04. Volume sales increased by 1.9%, totaling 57,909 tons. Beer bottle sales increased by 42.4% over 1Q04, since during 1Q04 sales were low due to clients' inventory build-up during 4Q03. Liquor bottle sales increased by 24.7%, due to higher sales of formats for pisco. Containers for the food industry increased by 11.9% due to the development of new containers oriented to agro industrial export products.

Wine bottle sales decreased by 6.7%, due to price adjustments. Soft-drink bottle sales decreased by 17.5%, mainly due to lower returnable formats sales, as during 1Q04 the 237cc returnable bottle campaign was in force, as well as lower one-way formats sales.

	GLASS		1Q05 vs.
	1Q05	1Q04	1Q04
	-----	-----	-----
Net Sales (in Ch\$ millions)	15,396	15,726	-2.1%
Wine	10,162	10,894	-6.7%
Soft Drinks	1,732	2,100	-17.5%
Beer	1,610	1,131	42.4%
Liquor	1,332	1,068	24.7%
Food	521	466	11.9%
Pharmaceutical	38	65	-42.7%
Volume in tons	57,909	56,856	1.9%

Operating income reached US\$7.1 million, compared to US\$7.5 million in 1Q04. Operating margin was 27.0% (27.9% in 1Q04).

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Net earnings for 1Q05 include a non-operating loss of US\$5.5 million, compared to a US\$2.2 million non-operating loss in 1Q04. The latter is mainly explained by a loss from exchange rate variations, that reached US\$2.6 million in 1Q05, compared to a US\$1.3 million income in 1Q04. The net loss from subsidiaries reached US\$2.2 million in 1Q05, compared to US\$2.3 million loss in 1Q04.

EBITDA: Operating cash generation reached US\$11.7 million, compared to US\$12.0 million in 1Q04. EBITDA margin was 44.7% (flat compared to 1Q04).

Plastic

During 1Q05, Envases CMF posted a US\$1.9 million net income, compared to a US\$0.7 million income in 1Q04. Volume sales remained flat compared to 1Q04, reaching 5,852 tons, while prices rose by 18,4% in line with the increase in the price of raw materials. Total sales reached US\$16.2 million, 18,4% over 1Q04. Operating income reached US\$2.1 million, 59,3% over 1Q04, mainly due to a better sales mix. Non operating result was a US\$0.3 million income, compared to US\$0.6 million loss in 1Q05.

EBITDA: Operating cash generation reached US\$3.9 million, 24,5% over 1Q04. EBITDA margin was 24,3% (23.1% in 1Q04).

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WINE BUSINESS

During 1Q05, Santa Rita's consolidated sales totaled US\$28.1 million, 10.4% over 1Q04. The Company's profits came in at US\$0.4 million, compared to US\$2.4 million in 1Q04, mainly due to a lower non-operating result, that registered a US\$0.8 million loss from exchange rate variations, compared to a US\$1.0 million income in 1Q04.

In the domestic market, Santa Rita's prices increased by 18.0% in real terms, while volumes grew by 2.2% over 1Q04. These conditions led net sales in the domestic market to grow by 20.7% to reach US\$13.8 million.

Sales volume in the export market grew by 2.7% with respect to 1Q04. Net sales reached US\$13.2 million, compared to US\$12.9 million in 1Q04. Export revenues in real peso terms fell by 2.0% (due to the Chilean peso/US dollar appreciation with respect to 1Q04) reaching US\$13.0 million and accounting for 46.4% of total revenues. The average price in Dollars per case in the export market reached US\$34.9 (flat compared to 1Q04), compared with an industry average of US\$25.2 (US\$24.4 in 1Q04).

SANTA RITA

	1Q05	1Q04	1Q05 vs. 1Q04
	-----	-----	-----
Net Sales (in Ch\$ millions)	16,452	14,906	10.4%
Domestic	8,077	6,693	20.7%
Exports	7,626	7,782	-2.0%
Others	749	431	73.8%
Volume			
Exports (Th cases)	378	368	2.7%
Domestic (Th liters)	12,762	12,484	2.2%
Price per case - Export Mkt. (US\$)	34.9	34.9	-0.2%

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latter includes a US\$6.9 million depreciation charge, compared to a US\$6.2 million charge in 1Q04, mainly coming from the HFC network acquired in July 2000. The Company ended the period with 222,338 basic subscribers (223,957 in 1Q04), 27,638 premium subscribers (31,496 in 1Q04), 38,424 broad-band Internet subscribers (36,883 in 1Q04) and 10,511 Internet Protocol Telephony subscribers (6,376 in 1Q04).

METROPOLIS-INTERCOM

	03/31/05	12/31/04	1Q05 vs. 4Q04
	-----	-----	-----
Basic Subscribers (1)	222,338	224,769	-1.1%
Premium customers	27,638	26,994	2.4%
Internet customers	38,424	38,158	0.7%
IP Telephony customers	10,511	10,764	-2.4%
Home Passed	1,258,227	1,213,768	3.7%

	1Q05	1Q04	1Q05 vs. 1Q04
	-----	-----	-----
Sales (US\$ Million)	19.5	18.8	3.8%
EBITDA (US\$ Million)	2.9	2.9	1.8%
Net Income (Loss) (US\$ Million)	(5.6)	(5.7)	2.6%

(1) Includes Premium, Internet and IP Telephony customers.

(FN) Measured during total transmission time.

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SUBSEQUENT EVENTS

On April 13, 2005 the Company announced that negotiations to merge VTR and Metropolis Intercom (MI) had come to a good end. On that date definitive contracts were signed. The transaction contemplated the subscription and payment by Cristalchile of a capital increase in VTR equivalent to 20% of the shares of VTR. This was paid by Cristalchile with its shares of MI. Likewise, VTR acquired all but one share of the remaining shares of MI. In this way MI becomes a subsidiary of VTR. In addition, Cristalchile subscribed a shareholders agreement with the current shareholders of VTR, regulating certain matters that refer to administration and financing of the company and related to the transferring of shares to third parties; establishing Initial Offering and Drag-Along obligations and Tag-Along rights with respect to Cristalchile. Finally, Cristalchile signed a contract with UnitedGlobalCom, Inc. (VTR's parent company) which states that Cristalchile will have the right to sell its participation in VTR between the second and the tenth year while the contract is in force, at market price with a minimum of US\$140 million. Obligations of UnitedGlobalCom, Inc. have been guaranteed by the related company Liberty Media International, Inc. In addition, the transaction contemplated that VTR assumed a US\$10 million debt that MI had with a subsidiary of Cristalchile. As a consequence of the transaction, Cristalchile will acknowledge an approximate Ch\$6,200 million (US\$10.6 million) profit in its financial statements of the second quarter of 2005.

On April 19, 2005 the Company requested that The Bank of New York terminate its American Depositary Share (ADS) program as a first step toward delisting from the New York Stock Exchange (NYSE) and deregistration with the U.S. Securities and Exchange Commission (SEC). The termination of the ADS is

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program is subject to a 60-day notice period. Suspension in the trading of the ADSs, the termination of the ADS program and the delisting of the ADSs from the NYSE are expected to occur on or about June 21, 2005. Thereafter, the Company intends, when permitted by applicable SEC regulations, to terminate the SEC registration of the ADSs and the common shares underlying the ADSs.

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This release may contain certain forward-looking statements (as that term is used in U.S. securities laws) regarding anticipated results of operations, financial condition, business operations or strategy of Cristalerias de Chile or its consolidated subsidiaries. Forward-looking statements may be identified by the use of words such as "anticipates," "believes," "expects," "predicts," "intends," "estimates," "should" or "may" or similar expressions relating to statements that are not of historical facts. Such forward-looking statements are believed to be reasonable, but are not guarantees of future performance. Actual results could vary from our objectives or expectations due to many factors including, among others, changes in consumer beverage preferences, new technologies, a downturn in the Chilean wine industry, significant disruption of the Chilean media market, the macroeconomic performance of Chile and the behavior of Latin American markets more generally.

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CRISTALERIAS DE CHILE S.A.
CONSOLIDATED FINANCIAL STATEMENTS
(Restated for general price-level changes and expressed in millions of
US Dollars as of March 31, 2005)
1 US Dollar = 585.93 Chilean Pesos

BALANCE SHEET

	As of March 31	
	2005	2004
	MUS\$	MUS\$
ASSETS		

Cash, time deposits, marketable securities	189.7	157.5
Receivables	76.9	64.1
Inventories, net	80.7	68.0
Other current assets	5.5	12.8
	-----	-----
TOTAL CURRENT ASSETS	352.8	302.4
	-----	-----
NET P.P.&E.	236.6	234.7
	-----	-----
Investment in related companies	118.6	176.2
Long-term receivables	61.3	16.0
Goodwill on investments	1.5	1.4
Accounts receivable, related companies	2.1	0.0
Others	28.4	42.0
	-----	-----
TOTAL OTHER ASSETS	211.9	235.6
	-----	-----
TOTAL ASSETS	801.2	772.6
	=====	=====

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LIABILITIES AND SHAREHOLDERS' EQUITY

Current portion of long-term & short-term debt	25.5	9.2
Dividends payable	0.1	0.1
Accounts and notes payable	40.0	30.8
Provisions, withholdings, income taxes	26.3	27.0
Advances from customers	5.2	4.8
	-----	-----
TOTAL CURRENT LIABILITIES	97.1	71.8
	-----	-----
Long-term bank liabilities and bonds payable	182.4	214.7
Miscellaneous creditors	0.8	0.4
Provisions and others	20.1	17.3
	-----	-----
TOTAL LONG-TERM LIABILITIES	203.3	232.4
	-----	-----
MINORITY INTEREST	71.4	66.5
	-----	-----
TOTAL SHAREHOLDERS' EQUITY	429.4	401.9
	-----	-----
TOTAL LIAB. & SHAREHOLDERS' EQUITY	801.2	772.6
	=====	=====

STATEMENT OF INCOME

	First quarter	
	2005	2004
	MUS\$	MUS\$
	-----	-----
OPERATING RESULTS:		
Net sales	61.9	58.6
Cost of sales	(41.6)	(39.0)
Selling and administrative expenses	(11.1)	(10.3)
	-----	-----
OPERATING INCOME	9.1	9.3
	-----	-----
NON-OPERATING RESULTS:		
Cordillera Comunicaciones Ltda	(4.0)	(3.7)
Editorial Zig-Zag	0.1	0.1
Vina Los Vascos S.A.	0.0	0.1
Rayen Cura S.A.I.C.	0.6	0.4
Envases CMF	0.9	0.3
Ediciones Chiloe	(0.2)	(0.2)
Others	(0.0)	-
	-----	-----
Equity in net income related companies (net)	(2.6)	(3.0)
Interest expense (net)	(1.2)	(1.9)
Other nonrecurring expense (net)	(0.7)	(0.1)
Goodwill amortization	(0.3)	(0.3)
Price-level restatement	1.1	0.6
Exchange Rate Variations	(3.4)	2.4
	-----	-----
NON-OPERATING INCOME	(7.1)	(2.3)
	-----	-----

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Income tax	(0.8)	(1.4)
Extraordinary Items	-	-
Minority interest	(0.2)	(1.1)
	-----	-----
NET INCOME	1.1	4.5
	=====	=====

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CRISTALERIAS DE CHILE
CONSOLIDATED FINANCIAL STATEMENTS
(Restated for general price-level changes and expressed
in millions of Chilean Pesos as of March 31, 2005)
1 US Dollar = 585.93 Chilean Pesos

BALANCE SHEET

	As of March 31	
	2005	2004
	MCh\$	MCh\$
-----	-----	-----
ASSETS		

Cash, time deposits, marketable securities	111,138	92,258
Receivables	45,064	37,579
Inventories, net	47,300	39,846
Other current assets	3,218	7,492
	-----	-----
TOTAL CURRENT ASSETS	206,719	177,175
	-----	-----
NET P.P.&E.	138,614	137,519
	-----	-----
Investment in related companies	69,466	103,235
Long-term receivables	35,903	9,364
Goodwill on investments	891	822
Accounts receivable, related companies	1,231	4
Others	16,643	24,597
	-----	-----
TOTAL OTHER ASSETS	124,134	138,022
	-----	-----
TOTAL ASSETS	469,466	452,716
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		

Current portion of long-term & short-term debt	14,963	5,406
Dividends payable	40	42
Accounts and notes payable	23,430	18,056
Provisions, withholdings, income taxes	15,419	15,792
Advances from customers	3,062	2,799
	-----	-----
TOTAL CURRENT LIABILITIES	56,915	42,096
	-----	-----
Long-term bank liabilities and bonds payable	106,861	125,782
Miscellaneous creditors	473	213
Provisions and others	11,757	10,156
	-----	-----
TOTAL LONG-TERM LIABILITIES	119,090	136,151

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MINORITY INTEREST	41,858	38,958
TOTAL SHAREHOLDERS' EQUITY	251,604	235,511
TOTAL LIAB. & SHAREHOLDERS' EQUITY	469,466	452,716

STATEMENT OF INCOME

	First quarter	
	2005	2004
	MCh\$	MCh\$
OPERATING RESULTS:		
Net sales	36,270	34,345
Cost of sales	(24,402)	(22,877)
Selling and administrative expenses	(6,526)	(6,026)
OPERATING INCOME	5,343	5,442
NON-OPERATING RESULTS:		
Cordillera Comunicaciones Ltda	(2,325)	(2,187)
Editorial Zig-Zag	35	51
Vina Los Vascos S.A.	1	51
Rayen Cura S.A.I.C.	325	243
Envases CMF	550	190
Ediciones Chiloe	(96)	(96)
Others	(8)	-
Equity in net income related companies (net)	(1,519)	(1,748)
Interest expense (net)	(723)	(1,098)
Other nonrecurring expense (net)	(419)	(84)
Goodwill amortization	(148)	(163)
Price-level restatement	645	352
Exchange Rate Variations	(1,987)	1,394
NON-OPERATING INCOME	(4,150)	(1,346)
Income tax	(469)	(833)
Extraordinary Items	-	-
Minority interest	(98)	(640)
NET INCOME	626	2,623

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1 US Dollar = 585.93 Chilean Pesos

BALANCE SHEET

	As of March 31	
	2005	2004
ASSETS	MUS\$	MUS\$
Cash, time deposits, marketable securities	156.6	125.4
Receivables	40.9	34.9
Inventories, net	11.7	10.5
Other current assets	1.9	4.7
	211.2	175.4
TOTAL CURRENT ASSETS		
NET P.P.&E.	128.9	131.1
Investment in related companies	205.5	251.0
Long-term receivables	0.2	0.2
Goodwill on investments	51.0	3.2
Accounts receivable, related companies	36.2	36.0
Others	4.8	19.9
	297.6	310.3
TOTAL OTHER ASSETS		
	637.7	616.8
TOTAL ASSETS	637.7	616.8
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current portion of long-term debt	16.4	1.6
Dividends payable	0.1	0.1
Accounts and notes payable	8.5	7.7
Provisions, withholdings, income taxes	17.8	16.6
	42.7	25.9
TOTAL CURRENT LIABILITIES		
Long-term bank liabilities and bonds payable	148.3	174.1
Miscellaneous creditors	0.1	0.3
Provisions	12.2	10.5
Others	5.0	4.1
	165.6	188.9
TOTAL LONG-TERM LIABILITIES		
TOTAL SHAREHOLDERS' EQUITY	429.4	401.9
	637.7	616.8
TOTAL LIAB. & SHAREHOLDERS' EQUITY	637.7	616.8

STATEMENT OF INCOME

	First quarter	
	2005	2004
	MUS\$	MUS\$

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OPERATING RESULTS:		
Net sales	26.3	26.8
Cost of sales	(17.0)	(17.1)
General and administrative expenses	(2.2)	(2.3)
	-----	-----
OPERATING INCOME	7.1	7.5
	-----	-----
NON-OPERATING RESULTS:		
CristalChile Comunicaciones	(4.0)	(3.8)
S.A. Vina Santa Rita	0.2	1.3
Envases CMF S.A.	0.9	0.3
Ciecsa S.A.	0.5	(0.5)
Cristalchile Inversiones S.A.	0.2	0.3
Others	(0.0)	(0.0)
	-----	-----
Equity in net income related companies (net)	(2.2)	(2.3)
Interest expense (net)	(0.8)	(1.1)
Other nonrecurring expense (net)	(0.3)	(0.2)
Goodwill amortization	(0.1)	(0.1)
Price-level restatement	0.4	0.3
Exchange Rate Variations	(2.6)	1.3
	-----	-----
NON-OPERATING INCOME	(5.5)	(2.2)
	-----	-----
Income tax	(0.5)	(0.8)
Amortization of negative goodwill	-	-
Extraordinary Items	-	-
	-----	-----
NET INCOME	1.1	4.5
	=====	=====
SALES VOLUME	Th Tons	Th Tons
	-----	-----
Glass sales in Th tons	57.9	56.9
	=====	=====

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CRISTALERIAS DE CHILE S.A.
INDIVIDUAL FINANCIAL STATEMENTS
(Restated for general price-level changes and expressed
in millions of Chilean Pesos as of March 31, 2005)
1 US Dollar = 585.93 Chilean Pesos

BALANCE SHEET

	As of March 31	
	2005	2004
ASSETS	MCh\$	MCh\$
-----	-----	-----
Cash, time deposits, marketable securities	91,785	73,459
Receivables	23,968	20,428
Inventories, net	6,855	6,126
Other current assets	1,132	2,740

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TOTAL CURRENT ASSETS	123,739	102,753
NET P.P.&E.	75,535	76,804
Investment in related companies	120,412	147,046
Long-term receivables	99	125
Goodwill on investments	29,891	1,881
Accounts receivable, related companies	21,181	21,122
Others	2,793	11,644
TOTAL OTHER ASSETS	174,377	181,818
TOTAL ASSETS	373,652	361,376
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		

Current portion of long-term debt	9,587	909
Dividends payable	40	41
Accounts and notes payable	4,953	4,501
Provisions, withholdings, income taxes	10,429	9,744
TOTAL CURRENT LIABILITIES	25,008	15,195
Long-term bank liabilities and bonds payable	86,912	101,981
Miscellaneous creditors	30	156
Provisions	7,152	6,134
Others	2,946	2,399
TOTAL LONG-TERM LIABILITIES	97,040	110,670
TOTAL SHAREHOLDERS' EQUITY	251,604	235,511
TOTAL LIAB. & SHAREHOLDERS' EQUITY	373,652	361,376
	=====	=====

STATEMENT OF INCOME

	First quarter	
	2005	2004
	MCh\$	MCh\$
	-----	-----
OPERATING RESULTS:		
Net sales	15,396	15,726
Cost of sales	(9,945)	(10,006)
General and administrative expenses	(1,289)	(1,336)
OPERATING INCOME	4,162	4,384
	-----	-----
NON-OPERATING RESULTS:		
CristalChile Comunicaciones	(2,325)	(2,198)
S.A. Vina Santa Rita	133	764
Envases CMF S.A.	550	190
Ciecsa S.A.	280	(302)
Cristalchile Inversiones S.A.	105	192

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Others	(10)	(0)
	-----	-----
Equity in net income related companies (net)	(1,267)	(1,354)
Interest expense (net)	(455)	(649)
Other nonrecurring expense (net)	(184)	(123)
Goodwill amortization	(44)	(44)
Price-level restatement	252	157
Exchange Rate Variations	(1,535)	746
	-----	-----
NON-OPERATING INCOME	(3,232)	(1,266)
	-----	-----
Income tax	(303)	(494)
Amortization of negative goodwill	-	-
Extraordinary Items	-	-
	-----	-----
NET INCOME	626	2,623
	=====	=====
SALES VOLUME	Th Tons	Th Tons
	-----	-----
Glass sales in Th tons	57.9	56.9
	=====	=====

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SIGNATURE

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

GLASSWORKS OF CHILE
(Registrant)

By: /s/ Benito Bustamante C.

Benito Bustamante C.
Controller

Date: May 3, 2005