



Vitro signed a five-year agreement to supply glass Bottles to St. Julian, Michigan's Largest Winery

- **Vitro Packaging consolidates its presence in the wine segment in the United States**
- **Showing the Wine industry commitment to deliver high-quality customer service, flexibility and innovative solutions.**

Very soon, US consumers we will be able to taste an excellent semi-sweet white wine named Blue Heron, developed and produced in the Midwest, whose glass bottle have been manufactured by Vitro.

And the reason why, is that Vitro Packaging, Vitro's U.S. subsidiary, announced today that it has recently signed a five-year contract with St. Julian, Michigan's largest and oldest winery, to supply all of its Still wine requirements. Most of the requirements will be converted to Vitro bottles that use a roll-on finish compatible with a Stel capsule.

St. Julian is the first winery, east of California, to use this new Stel capsule that has a screw-cap capability. The advantages of using screw-caps is that the chance of musty-smelling cork taint, a mold infestation estimated to affect 3-10% of wine bottles sealed with cork, is eliminated. Also, it is a convenience offered to the consumer, who no longer has to use a cork screw.

Blue Heron, semi-sweet white wine; Simply White, semi-dry white wine, and Simply Red, a semi-dry red wine are the three brands that will be supplied by Vitro for St. Julian with the roll-on finish.

Blue Heron glass 750ML Hock bottles are being made by Vidriera Los Reyes facility, and Simply White and Simply Red 750ML Bordeaux/Claret bottles are being made by Vidriera Monterrey plant, two of Vitro's six manufacturing plants in Mexico.

Blue Heron's first shipment arrived at St. Julian's facility in early January and where filled on January 8. Bottles are already in the market. Among other winning recognitions, Blue Heron's quality has been reaffirmed with the Gold Medal at the Florida State Fair in 2002.

"St. Julian chose Vitro as the glass supplier for our new ROTE packages due to Vitro's staff proactive attitude towards venturing into uncharted waters, their willingness to take the risk involved in designing and making new molds for ROTE wine bottles, and their belief in this closure eventually becoming the norm in the future of our industry", said Chas Catherman, St. Julian's Executive Vice President and Director of Operations.

“Considerations for a glass supplier, now and in the future, in addition to the obvious ones of competitive pricing and quality products, has to include exactly what brought us here today. That is, being innovative and creative in the constant quest to improve the packages offered both in terms of function and of esthetics” assured Catherman.

“Vitro Packaging was flexible enough to provide two new molds with volume that normally does not justify the building of new molds. These molds were built because we are confident of the plans St. Julian has for this package and their successful track record in the wine industry. This demonstrates Vitro’s commitment to the wine bottle market and to our desire to be on the forefront of new trends and technologies”, said Rick Croak, Midwest Sales Manager.

“Vitro’s reputation as an excellent wine bottle supplier and competitive price, as well as to what we believe is the largest selection of wine molds in the Wine industry, allows us to supply to United States industry the largest selection of shapes, sizes, colors and new closure alternatives to add value to their products”, assured Lee Farlander, President of Vitro Packaging.

St. Julian has been making wine at its present location in Paw Paw, Michigan since 1936. It currently distributes its products to 10 different states, including Michigan, Indiana, Illinois, Ohio, Minnesota, Rhode Island, Wisconsin, Kentucky, Florida, and California.

It was during 1936 when Mariano Meconi bought out his partner and moved his now family-owned company from Detroit to the fruit-growing region along the shores of Lake Michigan. But the history of Michigan's oldest and largest winery did not start with that significant westward move: it dates back another twenty-five years and includes two other countries.

With production facilities located in Paw Paw (The Original Winery), Frankenmuth, Dundee, Union Peer, and Parma, Michigan, St. Julian has over 1,000 tanks and barrels, and bottles 40 different types of wines, ten different juices and Italian Dressing, and currently distributes its products to 10 different states, including Michigan, Indiana, Illinois, Ohio, Minnesota, Rhode Island, Wisconsin, Kentucky, Florida, and California.

St. Julian uses three types of grapes varieties: vinifera varieties (which originated in Europe), hybrid varieties from Europe (which are the result of cross breeding the native American with French grapes) and native American varieties. Hybridization produces varieties which can survive cold Michigan winters and which make high quality wines.

“This joint venture between St. Julian and Vitro strengthens our participation in the North American economy”, said Alfonso Gomez Palacio, President of Vitro’s Containers business unit. “When the product reaches its market, this project will involve a Michigan-based Company, our Texas Commercial headquarters, our glass containers production facility located in Monterrey and Mexico City, as

well as thousands of US and foreign consumers. This is a huge opportunity for us to show our capabilities and abilities to a worldwide wine industry.”

Lee Farlander, President of Vitro Packaging, emphasized that “Another competitive advantage of Vitro Packaging, is the Company’s focus on delivering high-quality customer service; each client is part of a dedicated team.

With offices in Napa, Sacramento, Dallas, Atlanta and New York, Vitro Packaging serves the U.S. in the 48 contiguous states. Its sales account for approximately 26% of Vitro’s Glass Containers business’ total sales. Thanks to the efforts of its close to 100 employees, Vitro Packaging is committed to grow in 2004.

For more information about St. Julian Winery and Vitro Packaging, please visit www.stjulian.com and www.vitro.com/vitro_packaging/ingles/home.htm, homepages respectively.

Vitro, S.A. de C.V. (NYSE: VTO; BMV: VITROA), through its subsidiary companies, is one of the world's leading glass producers. Vitro is a major participant in three principal businesses: flat glass, glass containers and glassware. Its subsidiaries serve multiple product markets, including construction and automotive glass; fiberglass; food and beverage, wine, liquor, cosmetics and pharmaceutical glass containers; glassware for commercial, industrial and retail uses; plastic and aluminum containers. Vitro also produces raw materials and equipment and capital goods for industrial use. Founded in 1909 in Monterrey, Mexico-based Vitro has joint ventures with major world-class partners and industry leaders that provide its subsidiaries with access to international markets, distribution channels and state-of-the-art technology. Vitro's subsidiaries have facilities and distribution centers in eight countries, located in North, Central and South America, and Europe, and export to more than 70 countries worldwide. For further information, please visit our website at: <http://www.vitro.com>

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