GRUPO VITRO

VITRO REPORTS UNAUDITED SECOND QUARTER 2001 RESULTS

- **EBITDA for the quarter increased YoY by 3.4% in dollar terms to US$148 million**
- **Debt was reduced on a quarter over quarter basis by US$ 17 million**
- **Consolidated Net Sales increased YoY 7.5% in dollar terms driven by Glass Containers, Flat Glass and Acros Whirlpool**

Garza Garcia, N.L. Mexico – **July 26, 2001 - Vitro, S.A. de C.V. (NYSE: VTO; BMV: Vitro A)** today announced unaudited financial results for the three-month period ended June 30, 2001.

Second Quarter of Year 2001 Highlights:

Sales

Consolidated net sales for the second quarter of 2001 reached US$784 million, representing an increase of 7.5% in dollar terms, compared with US$729 million for the second quarter of 2000. In peso terms, sales reached Ps$7,183 million, representing a slight 1.6% decrease compared with Ps$7,298 million for the second quarter of 2000. Glass Containers, Flat Glass and Acros Whirlpool were the main drivers of Grupo Vitro's sales performance for the quarter.

EBITDA

Grupo Vitro's EBITDA was maintained at a stable level in dollar terms on a YoY basis, notwithstanding the continued strength of the peso against the U.S. dollar and the slowdown of the Mexican and United States economies. IIQ'01 EBITDA was US$148 million, a 3.4% increase against the same quarter last year. For the first semester EBITDA remained at the same level; US$278 million during IH'01 vs. US$280 million during IH'00.

Debt Levels

Debt was reduced on a quarter over quarter basis by US$17 million, by using internally generated funds. Additionally, the Company's financial ratios improved on a quarter over quarter basis; financial leverage (Debt/EBITDA) stood at 2.8 times, while interest coverage was 3.3 times as of June 30, 2001.

Net Income

The Company posted a Net Majority Income of US$36 million for the quarter, which compares favorably with the Net Majority Loss for IIQ'00 of US$18 million.

All figures provided in this communication are in accordance with Generally Accepted Accounting Principles in Mexico. All figures are unaudited and are presented in constant Mexican pesos as of June 30, 2001. Dollar figures are in nominal US dollars and are obtained by dividing nominal pesos for each month by the applicable exchange rate as of the end of that month.

This communication contains certain forward-looking statements and information relating to Vitro, S.A. de C.V. and its Subsidiaries that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. Such statements reflect the current views of Vitro with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results or performance of Vitro to be materially different from any future results or performance that may be expressed or implied by such forward-looking statements, including, among others, changes in general economic, political, governmental and business conditions globally and in the countries in which Vitro does business. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected or targeted. Vitro does not intend, and does not assume any obligation, to update these forward-looking statements.

2001 Second Quarter Results
Conference Call and Web cast
Friday, July 27, 2001
10:00 AM US CT (Monterrey time); 11:00 AM US ET

A live web cast of the conference call will be available to investors and the media at http://www.vto.com/ through Friday, August 10, 2001.

For inquiries regarding the web cast, please contact Dario Wolos of CCBN via telephone at (617) 801-7739, or via email at dwolos@ccbn.com

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DETAILED FINANCIAL INFORMATION FOLLOWS:

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Consolidated Results

Sales

The positive sales performance in U.S. dollar terms, when compared against the same period of last year, was driven mainly by the businesses of Glass Containers, Flat Glass and Acros Whirlpool. At Glass Containers and Acros Whirlpool, volume increases were the main drivers for the growth in sales, both domestically and in the export markets, offsetting price pressures. Sales in peso terms at the Flat Glass unit remained practically at the same level on a YoY basis, overcoming the pressure that a strong peso puts on prices and the slowdown of the U.S. and Mexican economies. At the same time, Flat Glass was able to increase sales in dollar terms, mainly as a result of the consolidation of Cristalglass, the recently acquired European-based processor and distributor of construction glass. In the case of Glassware and Diverse Industries, sales for the quarter decreased YoY, as result of a decline in demand in the retail and industrial sectors in connection with the slowdown of the U.S. and Mexican economies, and, in the specific case of Diverse Industries, as a consequence of the closing last year of a Joint Venture with General Electric (MEF), which accounted for 7% of sales of this unit for the IIQ'00.

Table I
Sales
(million)

		IIQ'01	IIQ'00	% Var.	6M'01	6M'00	% Var.
Cons. Net Sales	**Ps$**	7,183	7,298	(1.6)	13,615	13,682	(0.5)
Cons. Net Sales	**US$**	784	729	7.5	1,456	1,366	6.6
Domestic	**Ps$**	3,832	3,915	(2.1)	7,190	7,271	(1.1)
Domestic	**US$**	417	382	9.2	763	711	7.3
Exports	**Ps$**	1,925	2,045	(5.9)	3,728	4,008	(7.0)
Exports	**US$**	210	206	2.2	399	402	(0.8)
Foreign Subs.	**Ps$**	1,427	1,339	6.6	2,697	2,403	12.3
Foreign Subs.	**US$**	157	142	10.4	295	254	16.2
% Dllr. Sales*/Tot. Sales		47	48	(1.8)	48	48	(0.8)
% Exp. Sales/Tot. Sales		27	28	(4.9)	27	29	(7.0)

* Exports + Foreign Subs.

EBIT and EBITDA

EBIT margins for the quarter increased by 50 basis points when compared to IQ'01, driven mainly by operating improvements at the Glass Containers and Diverse Industries business units. YoY margins have continued to decline as a result of lower sales and pricing pressures in some of the businesses due to the slowdown of the U.S. and Mexican economies. Also, the strength of the peso, which appreciated YoY by 7.7% vs. an annual inflation of 6.5%, negatively affected the competitiveness of the Company's exports while promoting imports into the domestic market. Additionally, lower production levels, as a result of lower sales, and a strategy to increase cash flow generation by reducing inventories, has resulted in an increase in the proportion of fixed costs as a percentage of sales.

The Company recognized an aggregate benefit for the semester of US$10 million, resulting from its natural gas hedging strategy consisting of entering into hedging agreements with PEMEX and other suppliers. At the beginning of IIQ'01, the Company decided to cancel 70% of its hedging arrangements with PEMEX, which currently covers around 30% of its consumption needs.

Table II
EBIT and EBITDA
(million)

		IIQ'01	IIQ'00	% Var.	6M'01	6M'00	% Var.
EBIT	**Ps$**	810	948	(14.5)	1,508	1,815	(16.9)
EBIT Margin	**%**	11.3%	13.0%		11.1%	13.3%	
EBIT	**US$**	88	93	(5.4)	161	179	(10.0)
EBIT Margin	**%**	11.3%	12.8%		11.0%	13.1%	
EBITDA	**Ps$**	1,360	1,461	(6.9)	2,612	2,852	(8.4)
EBITDA Margin	**%**	18.9%	20.0%		19.2%	20.8%	
EBITDA	**US$**	148	143	3.4	278	280	(0.9)
EBITDA Margin	**%**	18.9%	19.7%		19.1%	20.5%	

It's worth noting that EBITDA was maintained at a stable level in dollar terms on a YoY basis, notwithstanding the continued strength of the peso against the U.S. dollar and the slowdown of the Mexican and U.S. economies. IIQ'01 EBITDA was US$148 million, a 3.4% increase against the same quarter last year. For the first semester EBITDA remained at the same level; US$278 million during IH'01 vs. US$280 million during IH'00.

Total Financing Cost

The decrease in interest expense for the quarter was due to a lower weighted average cost of debt arising from interest, which declined to 9.2%, from 10.2% for IIQ'00. The weighted average cost for fiscal 2000 was 10.3%. The decrease in the cost of debt for the quarter was principally attributable to lower interest rates in U.S. dollars with respect to U.S. dollar denominated debt, and a swap made to change UDI denominated debt to US. dollars at a fixed rate, taking advantage of the low market rates. Currently, fixed rates stand at 41% of total debt held by the Company.

Due to the 4.5% appreciation of the peso during IIQ'01, the Company recorded a non-cash exchange gain for the period. As a result of a lower inflation for the quarter on a YoY basis (0.9% during IIQ'01 vs. 1.5% in IIQ'00), the Company recorded a lower gain from monetary position for the second quarter, also non-cash item. Overall, the Company recorded for the quarter a Total Financing Gain of Ps$311 mill. (US$34 mill.), compared with a Total Financing Cost of Ps$ 1,035 mill. (US$ 101mill.) for the second quarter of last year.

Table III
Total Financing Cost
(million)

		IIQ'01	IIQ'00	% Var.	6M'01	6M'00	% Var.
Interest Expense	**Ps$**	353	463	(23.7)	793	926	(14.4)
Interest Expense	**US$**	38	45	(15.6)	84	91	(8.0)
Interest Income	**Ps$**	8	6	37.3	17	11	60.0
Interest Income	**US$**	1	1	33.3	2	1	60.0
Foreign Exchange Loss (Gain)	**Ps$**	(591)	727	-.-	(741)	518	-.-
Foreign Exchange Loss (Gain)	**US$**	(64)	70	-.-	(80)	49	-.-
Gains from Monetary Position	**Ps$**	137	241	(43.2)	307	670	(54.2)
Gains from Monetary Position	**US$**	15	24	(36.9)	32	65	(50.4)
Other Financial Expenses (Net)	**Ps$**	73	92	(21.3)	165	168	(2.3)
Other Financial Expenses (Net)	**US$**	8	9	(17.6)	17	17	2.4
Total Financing Cost	**Ps$**	(311)	1,035	-.-	(107)	932	-.-
Total Financing Cost	**US$**	(34)	101	-.-	(13)	90	-.-

Taxes

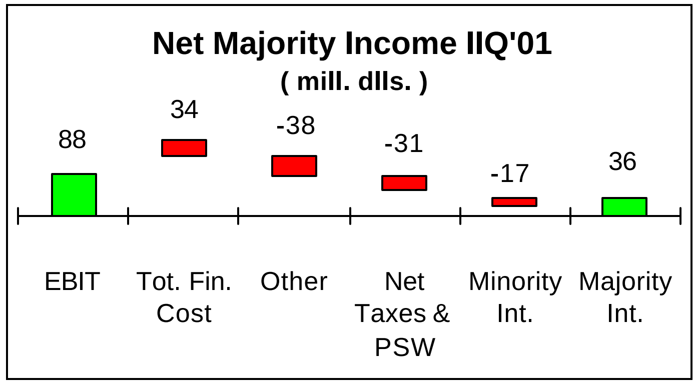
YoY, the Company posted taxable income for IIQ'01 vs. a net loss for IIQ'00, mainly as a result of the exchange gain referred above.

Table IV
Taxes & PSW
(million)

		IIQ'01	IIQ'00	% Var.	6M'01	6M'00	% Var.
Income Tax Accrued	**Ps$**	166	55	201.8	263	267	(1.5)
Income Tax Accrued	**US$**	18	5	260.0	28	27	3.7
Deferred Income Tax	**Ps$**	91	(146)	-.-	131	21	523.8
Deferred Income Tax	**US$**	10	(13)	-.-	14	2	600.0
Total Income Tax	**Ps$**	257	(91)	-.-	394	288	36.6
Total Income Tax	**US$**	28	(8)	-.-	42	29	47.5
Profit Sharing to Workers	**Ps$**	30	62	(51.8)	57	133	(57.3)
Profit Sharing to Workers	**US$**	3	6	(46.6)	6	13	(53.7)
Taxes & PSW	**Ps$**	287	(28)	-.-	451	421	7.0
Taxes & PSW	**US$**	31	(2)	-.-	48	42	15.9

Net Majority Income

Net Majority Income for the quarter was Ps$334 mill. (US$36 mill.), compared with a Net Majority Loss for IQ'00 of Ps$185 mill. (US$18 mill.), mainly as a result of a financing gain due to a considerable, non-cash, exchange gain (see above section of Total Financing Cost). The Other Income (expense) item shown, includes severance payments as a result of an ongoing reorganization program and non-cash losses related to relation with the sale of certain assets and write-offs of obsolete assets.



Capital Expenditures

In the aggregate, CAPEX for IH'01 remained flat vs. the same period last year. CAPEX for the quarter was mainly used for maintenance purposes. As mentioned in the IQ'01's release, the majority of the 2001 CAPEX is expected to be incurred during the second half of the year, for a total estimated amount of US$ 100-110 mill., an amount that is 15% lower than the originally budgeted US$ 120-130 million.

Financial Position

Quarter over quarter debt decreased by US$17 mill. This reduction was achieved with internally generated funds, notwithstanding the payment of approximately US$17 mill. in dividends, the acquisition of Cristalglass, and other disbursements. This debt reduction, along with the stable EBITDA and the lower interest expense, improved the Company's financial ratios on a quarter over quarter basis; financial leverage (Debt/EBITDA) stood at 2.8 times, while interest coverage was 3.3 times as of June 30, 2001.

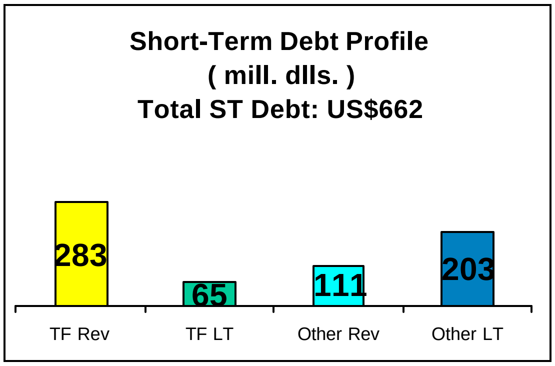
Table V
Debt Indicators
(million dlls. (1); except as indicated)

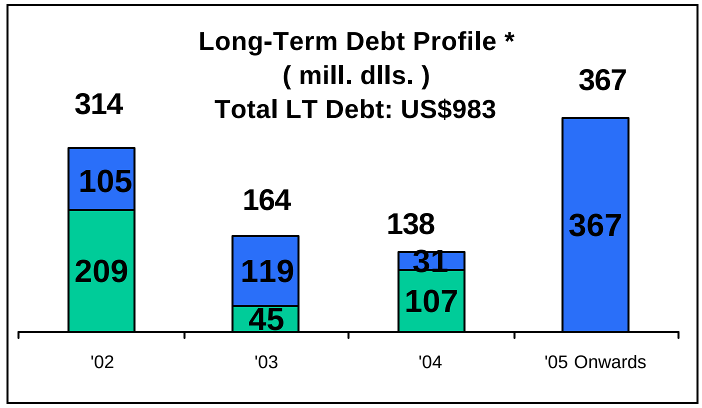
	IIQ'01	IQ'01	IIQ'00	IVQ'00
Interest Coverage (EBITDA/Int. Exp.) (LTM) (2) (Times)	3.3	3.1	3.1	3.2
Leverage (Total Debt / EBITDA) (LTM) (2) Times)	2.8	2.9	2.8	2.9
Total Debt	1,645	1,662	1,614	1,634
Short -Term Debt (3)	662	465	268	433
Long - Term Debt	983	1,197	1,346	1,201
Currency Mix (%) dlls / pesos/UDI's	94/5/1	89/10/1	78/11/11	79/10/11
Weighted Average Cost of Debt (%)	9.2	9.9	10.2	10.3(LTM) (2)

(1) Constant pesos at the end of each quarter converted into dollars using the exchange rate at the end of each respective period.
(2) Last twelve months.
(3) Short term debt includes current maturities of long-term debt.

Debt Profile as of June 30, 2001

- 60% of debt is long-term and
- Average life of debt is 2.7 years.
- 53% of debt maturing within the period July'01 – June'02 is related to trade finance (US$348 million).
- Current maturities of long-term debt include a public debt maturity of US$175 million on May'02 in the international markets.
- Debt composition: Fixed rate = 41%; Floating rate and Fixed spread = 27%; Short-term debt subject to market conditions = 32%.





* Amortizations starting July'01-June'02 and thereon for each year.

Revolving Trade Finance Facilities

Current maturities of long-term debt (trade finance)

Revolving Working Capital Facilities

Current maturities of long-term debt (other type of facilities)

Other Type of Facilities

Trade Finance

Cash Flow

Year over year, lower interest expense and better working capital management, along with lower taxes and dividends paid, resulted in a better net free cash flow position. The main uses for the net free cash flow during the quarter were debt reduction, the Cristalglass acquisition, severance payments as part of the ongoing reorganization program and the contribution to the Company's stock option plan by the cancellation of an equity swap transaction contracted last year.

As a percentage of sales, working capital investments for IIQ'01 were reduced to 11.3% from 13.3% for IIQ'00.

Table VI
Cash Flow [1]
(million)

		IIQ'01	IIQ'00	% Var.	6M'01	6M'00	% Var.
EVITAD	**Ps$**	1,360	1,461	(6.9)	2,612	2,852	(8.4)
EBITDA	**US$**	148	143	3.4	278	280	(0.9)
(-) Net interest expense [2]	**Ps$**	573	667	(14.2)	981	1,105	(11.2)
(-) Net interest expense [2]	**US$**	61	68	(10.5)	102	109	(6.1)
(-) CAPEX	**Ps$**	210	188	11.7	423	451	(6.2)
(-) CAPEX	**US$**	23	19	21.1	45	45	0.0
(+/-) Working capital inv.	**Ps$**	(460)	(273)	68.5	(180)	(224)	(19.6)
(+/-) Working capital inv.	**US$**	(51)	(26)	96.2	(22)	(22)	0.0
= Free Cash Flow	**Ps$**	1,037	879	18.1	1,388	1,520	(8.7)
= Free Cash Flow	**US$**	115	82	40.1	152	148	2.7
(-) Taxes and dividends paid	**Ps$**	270	523	(48.4)	651	983	(33.8)
(-) Taxes and dividends paid	**US$**	29	49	(40.8)	69	94	(26.6)
= Net Free Cash Flow	**Ps$**	767	356	115.7	737	537	37.2
= Net Free Cash Flow	**US$**	86	33	159.2	83	54	53.7

1. This statement is a Cash Flow statement and it does not represent a Statement of Changes in Financial Position according with the Mexican GAAP
2. Includes some other financial expenses and products. **

Flat Glass

(35% of Sales)

Sales

Sales during the quarter increased 6.5% in dollar terms and decreased slightly in peso terms, as approximately 90% of business' revenues are denominated in U.S. dollars. During the quarter, the economic slowdown in the U.S. and Mexican economies continued to affect the demand in the auto OEM segment, specially the export market, as reflected in the YoY 8.3% decrease in exports for this business unit. Sales to the construction market, which were stable in the period, additional sales of value added products, and increased sales to the auto replacement market, offset lower sales to the OEM auto segment. On a QoQ basis, volumes for both construction and automotive glass improved by 4.5%, even though they decreased when compared to IIQ'00.

Table VIII
Flat Glass
Construction & Auto Sales Volume
(million of Reduced Square Meters)

	IIQ'01	IIQ'00	% Var.
Total	31,211	33,083	-5.6%

Table VII
Flat Glass
(million)

		IIQ'01	IIQ'00	% Var.
Cons. Net Sales	Ps$	2,488	2,516	-1.1%
Cons. Net Sales	US$	272	256	6.5%
Domestic Sales	Ps$	740	745	-0.7%
Domestic Sales	US$	81	74	9.7%
Exports	Ps$	559	678	-17.4%
Exports	US$	61	66	-8.3%
Foreign Subs.	Ps$	1,197	1,102	8.7%
Foreign Subs.	US$	132	117	12.5%
EBIT	Ps$	285	415	-31.4%
EBIT Margin	%	11.5%	16.5%	
EBIT	US$	31	41	-24.2%
EBIT Margin	%	11.4%	16.1%	
EBITDA	Ps$	422	559	-24.4%
EBITDA Margin	%	17.0%	22.2%	
EBITDA	US$	46	55	-16.5%
EBITDA Margin	%	16.9%	21.6%	

EBIT and EBITDA

EBIT and EBITDA margins for the quarter were affected YoY mainly by a strong peso that promoted imports and pressured prices in the domestic market, extraordinary charges resulting from the write-off of obsolete inventories, and the decline in demand in the auto segment that increased the proportion of fixed costs as a percentage of sales. Management of the Flat Glass business continues to work on improving the unit's sales mix toward more profitable market segments; this measures include the acquisition of Cristalglass, which processes and transforms value-added products for the construction market, and improved synergies and practices between Harding Glass and VVP America by closing approximately 35 retail stores, the former Corporate Headquarters of Harding Glass and overall operational efficiencies.

Acros Whirlpool

(21% of Sales)

Sales

During the quarter, domestic demand continued being positive, specially for washers and refrigerators, driving the increase in sales in both peso and dollar terms. Exports also increased, mainly driven by refrigerator shipments to the US, which increased significantly despite of the U.S. economic downturn, since Acros Whirlpool's export models represent a more affordable option for the U.S. consumers.

Table XI
Acros Whirlpool
(million)

		IIQ'01	IIQ'00	%Var.
Cons. Net Sales	Ps$	1,527	1,453	5.1%
Cons. Net Sales	US$	166	142	17.4%
Domestic Sales	Ps$	1,046	1,003	4.3%
Domestic Sales	US$	114	98	16.5%
Export Sales	Ps$	481	450	6.9%
Export Sales	US$	52	44	18.3%
EBIT	Ps$	136	163	-16.6%
EBIT Margin	%	8.9%	11.2%	
EBIT	US$	15	16	-6.8%
EBIT Margin	%	8.9%	11.2%	
EBITDA	Ps$	195	228	-14.8%
EBITDA Margin	%	12.7%	15.7%	
EBITDA	US$	21	22	-4.8%
EBITDA Margin	%	12.7%	15.7%	

EBIT and EBITDA

Profitability continued to be affected by the continuing pricing pressures, mostly from Korean imports into the domestic markets, and the strategy implemented by the business in order to improve its cash flow generation by reducing inventories. It's worth noting that on June 22, the Mexican Ministry of Economy published a preliminary resolution on the antidumping investigation against refrigerators imported from Korea, establishing a preliminary antidumping duty of 35.30% on 16' – 18' refrigerators manufactured by LG Electronic, Inc., one of Acros Whirlpool's competitors in Mexico. A final resolution to this issue is expected by IQ'02.

Glassware

(7% of Vitro's Sales)

Sales

Consolidated net sales decreased YoY mainly as a result of the decline in demand. The industrial sector's decision to reduce their inventories magnified the impact of lower sales. The decline in demand was primarily a consequence of the slowdown of the U.S. and Mexican economies. In the domestic sector, direct sales to niche markets helped to partially offset the decreases. In the export market, sales to the unit's joint venture partner, Libbey, were slightly higher YoY. Volumes for IIQ'01 showed and increase of 6.7% over IQ'01, but decreased YoY by 13%.

Table XIII
Glassware
(million)

		IIQ'01	IIQ'00	%Var.
Cons. Net Sales	Ps$	516	593	-13.0%
Cons. Net Sales	US$	56	59	-4.2%
Domestic Sales	Ps$	331	387	-14.4%
Domestic Sales	US$	36	38	-4.5%
Export Sales	Ps$	189	211	-10.5%
Export Sales	US$	21	22	-4.3%
EBIT	Ps$	68	108	-36.8%
EBIT Margin	%	13.2%	18.2%	
EBIT	US$	7	11	-30.3%
EBIT Margin	%	13.3%	18.2%	
EBITDA	Ps$	120	150	-20.4%
EBITDA Margin	%	23.2%	25.3%	
EBITDA	US$	13	15	-12.0%
EBITDA Margin	%	23.2%	25.3%	

Table XIV
Glassware
Sales mix (%)

		IIQ'01	IIQ'00
Domestic +	Industrial	33%	37%
Exports	Retail	67%	63%

EBIT and EBITDA

EBIT decreased YoY by 36.8% but increased slightly QoQ.

The main factors that continued to contribute to the unit's decrease in EBIT and margins were higher YoY energy prices, higher fixed costs as a percentage of sales and additional costs and expenses when compared with the second quarter of last year in connection with the improvement of the business distribution network, as mentioned in releases for previous quarters. Management, in an effort to increase cash flow generation, is reducing inventories.

Glass Containers

(28% of Sales)

Sales

The YoY increase in volumes for the domestic market, and the unit's distribution company in the U.S., Vitro Packaging, drove the YoY sales increase, offsetting continuous price pressures. On the domestic front, the increase in the wine, soft drink and beer segments helped offsetting the decrease in the generic food and pharmaceutical lines. In the export market, volumes at Vitro Packaging increased approximately 5%, specially in the niche markets, driving the 10.1% increase in export sales.

Table IX
Glass Containers
(million)

		IIQ'01	IIQ'00	% Var.
Cons. Net Sales	Ps$	1,965	1,939	1.4%
Cons. Net Sales	US$	215	195	9.9%
Domestic Sales	Ps$	1,179	1,178	0.1%
Domestic Sales	US$	128	115	11.8%
Exports	Ps$	559	527	6.1%
Exports	US$	61	56	10.1%
Foreign Subs.	Ps$	228	234	-2.8%
Foreign Subs.	US$	25	25	0.4%
EBIT	Ps$	222	271	-18.2%
EBIT Margin	%	11.3%	14.0%	
EBIT	US$	24	27	-9.4%
EBIT Margin	%	11.3%	13.7%	
EBITDA	Ps$	429	454	-5.6%
EBITDA Margin	%	21.8%	23.4%	
EBITDA	US$	47	45	4.4%
EBITDA Margin	%	21.8%	22.9%	

Table X
Glass Containers
Sales Volume
(millions of units)

	IIQ'01	IIQ'00	% Var.
Domestic	978	953	2.6%
Exports	288	328	-12.2%
Total	1,266	1,281	-1.2%

EBIT and EBITDA

Margins rose quarter over quarter by 60 basis points, representing the third consecutive quarter in which margins of this unit increased with respect to the previous quarter. YoY EBIT continued to be affected by price pressures and certain cost increases, like those experienced with energy and freights. Freights have increased mainly as a result of a higher proportion of export sales.

Diverse Industries

(9 % of Sales)

Sales

Sales for the quarter decreased 10.9% in peso terms, as approximately 85% of the business sales are in U.S. dollars or directly linked to the dollar. Also, the closing of MEF, the former joint venture with General Electric, on August 2000, affected the YoY comparison as sales for this business represented close to 7% of the unit's revenues for last year's second quarter. The retail sector of the business, primarily aluminum cans, ampoules and plastics, experienced a decline in demand as a result of the decline in consumption in this sector due to the slowdown of the U.S. and Mexican economies. On the other hand, the unit's chemical operations benefited from a cold winter and posted strong sales results year-to-date, and the capital goods segment is capitalizing on its strategy to move into other markets outside the glass industry.

Table XII
Diverse Industries
(million)

		IIQ'01	IIQ'00	%Var.
Net Sales	Ps$	757	850	-10.9%
Net Sales	US$	82	83	-0.9%
Cons. Net Sales	Ps$	675	787	-14.2%
Cons. Net Sales	US$	74	77	-4.5%
Domestic Sales	Ps$	617	661	-6.7%
Domestic Sales	US$	67	64	4.3%
Export Sales	Ps$	136	180	-24.0%
Export Sales	US$	15	18	-16.0%
EBIT	Ps$	113	109	3.9%
EBIT Margin	%	16.8%	13.9%	
EBIT	US$	12	11	16.6%
EBIT Margin	%	16.8%	13.8%	
EBITDA	Ps$	178	168	6.1%
EBITDA Margin	%	26.3%	21.3%	
EBITDA	US$	19	16	18.7%
EBITDA Margin	%	26.3%	21.2%	

EBIT and EBITDA

EBIT margins improved on a YoY basis by 290 basis points and on a QoQ basis by 260 basis points, despite the negative effect of the strong peso and higher YoY natural gas prices. The closing of MEF in this case impacted positively the YoY EBIT comparison, as this business profitability was marginal. The capital goods operations posted also higher EBIT as higher sales contributed to a decrease in fixed costs as a percentage of sales. Businesses considered of strategic importance within the Diverse Industries unit, will be integrated by October 2001 into the four remaining business units, while the others will be considered for divestiture.

Key Developments

REORGANIZATION

Grupo Vitro recently announced a reorganization that involved the creation of an Executive Committee comprising Mr. Federico Sada, as Chief Executive Officer, Mr. Jose Domene, as Chief Operating Officer (COO), and Mr. Luis Nicolau, as Chief Corporate Officer (CCO) (which comprises financial, accounting and legal matters). As part of the effort to improve Grupo Vitro's performance and competitiveness, Grupo Vitro reduced its corporate and administrative staff by over 1000 employees, which will require approximately US$15 million in severance payments, and is estimated to reflect savings of approximately US$40 million within the next year.

As has been announced in the past to the investor community, Grupo Vitro intends to consolidate in four business units: Flat Glass, Glassware, Glass Containers and Acros Whirlpool. Businesses considered of strategic importance within the Diverse Industries unit, will be integrated into the four remaining business units. These changes will take effect by October, 2001.

SYNDICATED LOAN

Grupo Vitro is in the final stages of completing a securitized credit facility to be led by Citibank and HSBC, in an amount at least equal to 200 million dollars, which is intended to refinance short-term debt and to improve the average life of Grupo Vitro's debt.

ACQUISITION OF CRISTALGLASS VIDRIO AISLANTE IN EUROPE

On May 2001, Grupo Vitro, through its Flat Glass business unit, completed the acquisition of the 60% interest of Cristalglass Vidrio Aislante in Spain, a company with annual sales of approximately US$60 million. The company processes, distributes and sells flat glass for the construction industry, is well positioned within the European market and will improve Flat Glass' ability to export and distribute float glass in Europe.

DIVESTITURE PLAN UPDATE

As part of Grupo Vitro's plan to divest non-core businesses, the Company sold its 50% interest in Regioplast to Owens Illinois, for US$8 million. Grupo Vitro continues to consider other possible divestitures. As of the end of June 2001, aggregate proceeds received by Grupo Vitro from divestitures amount to US$55.6 million.

Vitro, S.A. de C.V. (NYSE: VTO and BMV: VITRO A), through its subsidiary companies, is a major participant in four distinct businesses: flat glass, glass containers, household products and glassware. Vitro's subsidiaries serve multiple product markets, including construction and automotive glass, wine, liquor, cosmetics, pharmaceutical, food and beverage glass containers, household appliances, fiberglass, plastic and aluminum containers, and glassware for commercial, industrial and consumer uses. Founded in 1909, Monterrey, Mexico-based Vitro has joint ventures with 10 major world-class manufacturers that provide its subsidiaries with access to international markets, distribution channels and state-of-the-art technology. Vitro's subsidiaries do business throughout the Americas, with facilities and distribution centers in seven countries, and export products to more than 70 countries. Grupo Vitro's website can be found at: http://www.vto.com

VITRO, S.A. DE C.V. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2001 (IN MILLIONS)

		Second Quarter						January - June					
	INCOME STATEMENT	Constant Pesos			Nominal Dollars [1]			Constant Pesos			Nominal Dollars [1]		
Item		2001	2000	% Var.	2001	2000	% Var.	2001	2000	% Var.	2001	2000	% Var.
1	Consolidated Net Sales	7,183	7,298	(1.6)	784	729	7.5	13,615	13,682	(0.5)	1,456	1,366	6.6
2	Cost of Sales	5,166	5,140	0.5	564	514	9.7	9,785	9,617	1.7	1,046	961	8.9
3	**Gross Income**	**2,017**	**2,158**	(6.5)	**220**	**216**	2.2	**3,831**	**4,065**	(5.8)	**410**	**405**	1.2
4	SG&A Expenses	1,206	1,210	(0.3)	132	122	7.9	2,323	2,250	3.3	249	227	9.9
5	**Operating Income**	**810**	**948**	(14.5)	**88**	**93**	(5.4)	**1,508**	**1,815**	(16.9)	**161**	**179**	(10.0)
6	Interest Expense	427	558	(23.5)	46	55	(15.0)	965	1,103	(12.5)	102	108	(5.8)
7	Interest Income	9	9	7.4	1	1	20.7	24	19	28.2	3	2	38.7
8	Exchange Loss (Gain)	(591)	727	--	(64)	70	--	(741)	518	--	(80)	49	--
9	Gain from Monet. Position	137	241	(43.2)	15	24	(36.9)	307	670	(54.2)	32	65	(50.4)
10	Total Financing Cost	(311)	1,035	--	(34)	101	--	(107)	932	--	(13)	90	--
11	Other Income	(353)	(44)	708.9	(39)	(4)	819.5	(408)	(81)	400.2	(44)	(8)	476.8
12	Share in Net Income of Non-Consol. Assoc. Companies	9	3	215.3	1	0	254.4	10	7	43.1	1	0	110.7
13	**Inc. bef. Tax & PSW**	**777**	**(127)**	--	**84**	**(11)**	--	**1,217**	**808**	50.6	**131**	**81**	61.4
14	Income Tax and PSW	287	(28)	--	31	(2)	--	451	421	7.0	48	42	15.9
15	**Net Inc. Cont. Opns.**	**490**	**(99)**	--	**53**	**(9)**	--	**766**	**387**	98.1	**83**	**39**	109.4
16	**Income (loss)of Discont. Oper.**			--			--			--			--
17	Extraordinary Items, Net			--			--			--			--
18	**Net Income**	**490**	**(99)**	--	**53**	**(9)**	--	**766**	**387**	98.1	**83**	**39**	109.4
19	Net Income of Maj. Int.	334	(185)	--	36	(18)	--	470	146	221.4	51	16	227.0
20	Net Income of Min. Int.	156	86	82.0	17	9	99.9	296	240	23.0	32	24	32.4

Item	BALANCE SHEET	2001	2000	% Var.	2001 [2]	2000 [2]	% Var.
21	Cash & Cash Equivalents	611	554	10.3	67	55	22.7
22	Trade Receivables	2,258	2,554	(11.6)	249	250	(0.4)
23	Inventories	3,608	3,532	2.1	398	350	13.7
24	Other Current Assets	1,369	1,314		151	130	16.3
25	**Total Current Assets**	**7,846**	**7,954**	(1.4)	**865**	**785**	10.3
26	Inv. in Uncons. Subs.	46	183	(75.1)	5	18	(71.3)
27	Prop., Plant & Equipment	21,511	23,267	(7.5)	2,371	2,242	5.8
28	Deferred Assets	1,840	1,674	10.0	203	163	24.2
29	Other Long-Term Assets	435	269	62.0	48	27	80.0
30	**Total Assets**	**31,678**	**33,347**	(5.0)	**3,492**	**3,234**	8.0
31	Short-Term & Curr. Debt	6,001	2,754	117.9	662	268	147.2
32	Trade Payables	2,697	2,418	11.5	297	234	27.1
33	Other Current Liabilities	1,805	2,012	(10.3)	199	198	0.3
34	**Total Curr. Liab.**	**10,503**	**7,184**	46.2	**1,158**	**700**	65.4
35	Long-Term Debt	8,917	14,040	(36.5)	983	1,347	(27.0)
36	Other LT Liabilities	2,781	2,767	0.5	307	264	15.9
37	**Total Liabilities**	**22,202**	**23,991**	(7.5)	**2,448**	**2,311**	5.9
38	Restated Capital Stock	6,553	6,792	(3.5)	722	667	8.3
39	Retained Earnings	(395)	(703)	(43.8)	(44)	(67)	(35.2)
40	Minority Interest	3,318	3,266	1.6	366	323	13.3
41	**Total Shar. Equity**	**9,476**	**9,356**	1.3	**1,045**	**923**	13.2

FINANCIAL INDICATORS	IIQ'01	IIQ'00
Debt/EBITDA (LTM, times)	2.8	2.8
EBITDA/Net Int. Exp. (LTM, times)	3.3	3.1
Debt/Firm Value (times)	0.6	0.6
Debt/Equity (times)	1.6	1.8
Total Liab./Stockh. Equity (times)	2.3	2.6
Curr. Assets/Curr. Liab. (times)	0.7	1.1
Sales/Assets (times)	0.9	0.8
EPS (Ps$) *	1.15	(0.67)
EPADR (US$) *	0.38	(0.22)

* Based on the weighted average shares outstanding.

OTHER DATA		
# Shares Issued (thousands)	324,000	324,000
# Average Shares Outstaning (thousands)	288,928	275,190
Employees	33,588	34,714

[1] Nominal dollars calculated by dividing each month's nominal pesos by the end of such month exchange rate.

[2] Constant pesos at the end of each period converted into dollars using the exchange rate at the end of each respective period.

VITRO, S.A. DE C.V. AND SUBSIDIARIES
SEGMENTED INFORMATION
AS OF JUNE 30, 2001 (IN MILLIONS)

	Second Quarter						January - June					
	Constant Pesos			Nominal Dollars[1]			Constant Pesos			Nominal Dollars[1]		
	2001	2000	%	2001	2000	%	2001	2000	%	2001	2000	%
FLAT GLASS												
Net Sales	2,495	2,524	-1.2%	273	256	6.4%	4,862	4,711	3.2%	523	477	9.7%
Interd. Sales	7	8	-15.6%	1	1	-5.6%	16	15	2.7%	2	1	11.1%
Con. N. Sales	2,488	2,516	-1.1%	272	256	6.5%	4,846	4,696	3.2%	521	475	9.7%
Expts. (US$) [1]	61	66	-8.3%	61	66	-8.3%	122	132	-7.6%	122	132	-7.6%
EBIT	285	415	-31.4%	31	41	-24.2%	565	773	-26.8%	60	76	-21.1%
Margin [2]	11.5%	16.5%		11.4%	16.1%		11.7%	16.5%		11.5%	16.0%	
EBITDA	422	559	-24.4%	46	55	-16.5%	843	1,052	-19.9%	89	104	-13.6%
Margin [2]	17.0%	22.2%		16.9%	21.6%		17.4%	22.4%		17.2%	21.8%	
GLASS CONTAINERS												
Net Sales	1,965	1,939	1.4%	215	195	9.9%	3,629	3,671	-1.1%	389	369	5.4%
Interd. Sales	0	0	-44.1%	0	0	-39.4%	0	1	-68.8%	0	0	-65.7%
Con. N. Sales	1,965	1,939	1.4%	215	195	9.9%	3,629	3,670	-1.1%	389	369	5.4%
Expts. (US$) [1]	61	56	10.1%	61	56	10.1%	110	103	6.8%	110	103	6.8%
EBIT	222	271	-18.2%	24	27	-9.4%	400	539	-25.7%	43	53	-19.2%
Margin [2]	11.3%	14.0%		11.3%	13.7%		11.0%	14.7%		11.0%	14.4%	
EBITDA	429	454	-5.6%	47	45	4.4%	811	925	-12.3%	87	91	-5.1%
Margin [2]	21.8%	23.4%		21.8%	22.9%		22.4%	25.2%		22.2%	24.7%	
ACROS WHIRLPOOL												
Net Sales	1,527	1,453	5.1%	166	142	17.4%	2,775	2,671	3.9%	294	261	13.0%
Interd. Sales	0	0	-61.8%	0	0	-60.0%	0	0	-74.8%	0	0	-72.7%
Con. N. Sales	1,527	1,453	5.1%	166	142	17.4%	2,775	2,671	3.9%	294	261	13.0%
Expts. (US$) [1]	52	44	18.3%	52	44	18.3%	97	89	8.5%	97	89	8.5%
EBIT	136	163	-16.6%	15	16	-6.8%	247	272	-9.1%	26	27	-1.1%
Margin [2]	8.9%	11.2%		8.9%	11.2%		8.9%	10.2%		8.9%	10.2%	
EBITDA	195	228	-14.8%	21	22	-4.8%	370	404	-8.4%	39	39	-0.5%
Margin [2]	12.7%	15.7%		12.7%	15.7%		13.3%	15.1%		13.3%	15.1%	
DIVERSE INDUSTRIES												
Net Sales	757	850	-10.9%	82	83	-0.9%	1,516	1,674	-9.4%	161	164	-1.9%
Interd. Sales	82	63	30.0%	9	6	44.9%	152	139	9.5%	16	14	19.0%
Con. N. Sales	675	787	-14.2%	74	77	-4.5%	1,364	1,535	-11.1%	145	150	-3.8%
Expts. (US$) [1]	15	18	-16.0%	15	18	-16.0%	30	35	-13.8%	30	35	-13.8%
EBIT	113	109	3.9%	12	11	16.6%	212	238	-10.8%	22	23	-2.8%
Margin [2]	16.8%	13.9%		16.8%	13.8%		15.5%	15.5%		15.5%	15.4%	
EBITDA	178	168	6.1%	19	16	18.7%	341	354	-3.7%	36	35	4.7%
Margin [2]	26.3%	21.3%		26.3%	21.2%		25.0%	23.1%		25.0%	23.0%	
GLASSWARE												
Net Sales	520	598	-13.0%	57	59	-4.2%	986	1,098	-10.2%	105	109	-3.6%
Interd. Sales	4	5	-17.7%	0	0	-8.2%	7	8	-9.4%	1	1	-1.6%
Con. N. Sales	516	593	-13.0%	56	59	-4.2%	979	1,090	-10.2%	104	108	-3.6%
Expts. (US$) [1]	21	22	-4.3%	21	22	-4.3%	40	43	-7.9%	40	43	-7.9%
EBIT	68	108	-36.8%	7	11	-30.3%	128	202	-36.7%	14	20	-31.4%
Margin [2]	13.2%	18.2%		13.3%	18.2%		13.1%	18.6%		13.2%	18.5%	
EBITDA	120	150	-20.4%	13	15	-12.0%	233	287	-18.6%	25	28	-12.1%
Margin [2]	23.2%	25.3%		23.2%	25.3%		23.8%	26.3%		23.8%	26.1%	
CONSOLIDATED [3]												
Net Sales	7,276	7,374	-1.3%	794	737	7.8%	13,790	13,845	-0.4%	1,474	1,382	6.7%
Interd. Sales	93	76	21.8%	10	7	35.7%	175	163	7.5%	19	16	16.8%
Con. N. Sales	7,183	7,298	-1.6%	784	729	7.5%	13,615	13,682	-0.5%	1,456	1,366	6.6%
Expts. (US$) [1]	210	206	2.2%	210	206	2.2%	399	402	-0.8%	399	402	-0.8%
EBIT	810	948	-14.5%	88	93	-5.4%	1,508	1,815	-16.9%	161	179	-10.0%
Margin [2]	11.3%	13.0%		11.3%	12.8%		11.1%	13.3%		11.0%	13.1%	
EBITDA	1,360	1,461	-6.9%	148	143	3.4%	2,612	2,852	-8.4%	278	280	-0.9%
Margin [2]	18.9%	20.0%		18.9%	19.7%		19.2%	20.8%		19.1%	20.5%	

Business Units' Volume and Sales Mix Information (Where Applicable)

	Second Quarter			January - June		
	2001	2000	%	2001	2000	%
FLAT GLASS (MM Red. m^2)						
Constr. + Auto	31,211	33,083	-5.7%	61,105	64,993	-6.0%
GLASS CONTAINERS (MM Pieces)						
Domestic	978	953	2.6%	1,802	1,798	0.2%
Exports	288	328	-12.2%	566	638	-11.3%
Total: Dom.+Exp.	1,266	1,281	-1.2%	2,368	2,436	-2.8%
GLASSWARE (Sales Mix %)						
Retail	67%	63%		64%	56%	
Industrial	33%	37%		36%	44%	

(1) Nominal dollars calculated by dividing each month's nominal pesos by the end of such month exchange rate.

(2) EBIT and EBITDA Margins consider Consolidated Net Sales.

(3) Includes corporate companies and other's sales and EBIT.