

13FCON P 2/14/06

CONFIDENTIAL TREATMENT REQUESTED

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549



05077063

Form 13F

FORM 13F COVER PAGE

Report for the Calendar Year or Quarter Ended: December 31, 2004

Check here if Amendment [] ; Amendment Number: _____
This Amendment (Check only one.): [] is a restatement.
[] adds new holdings entries.

Institutional Investment Manager Filing this Report:

Name: **Chesapeake Partners Management Co., Inc.**
Address: **1829 Reisterstown Road**
Suite 420
Baltimore, Maryland 21208

CONFIDENTIAL TREATMENT EXPIRES

Form 13F File Number: 28-4120

The institutional investment manager filing this report and the person by whom it is signed hereby represent that the person signing the report is authorized to submit it, that all information contained herein is true, correct and complete, and that it is understood that all required items, statements, schedules, lists, and tables, are considered integral parts of this form.

Person Signing this Report on Behalf of Reporting Manager:

Name: **Mark D. Lerner**
Title: **Vice President**
Phone: **(410) 602-0195**

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Signature, Place, and Date of Signing:

/s/ Mark D. Lerner [Signature] Baltimore, Maryland [City, State] 02/14/05 [Date]

Report Type (Check only one.):

- 13F HOLDINGS REPORT. (Check here if all holdings of this reporting manager are reported in this report.)
- 13F NOTICE. (Check here if no holdings reported are in this report, and all holdings are reported by other reporting manager(s).)
- 13F COMBINATION REPORT. (Check here if a portion of the holdings for this reporting manager are reported in this report and a portion are reported by other reporting manager(s).)

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FORM 13F SUMMARY PAGE

Report Summary:

Number of Other Included Managers: 0

Form 13F Information Table Entry Total: 33

Form 13F Information Table Value Total: \$767,523
(thousands)

List of Other Included Managers:

Provide a numbered list of name(s) and Form 13F file number(s) of all institutional investment managers with respect to which this report is filed, other than the manager filing this report.

[If there are no entries in this list, state "NONE" and omit the column headings and list entries.]

None

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FORM 13F INFORMATION TABLE

COLUMN 1 NAME OF ISSUER	COLUMN 2 TITLE OF CLASS	COLUMN 3 CUSIP	COLUMN 4 VALUE (\$1000)	COLUMN 5		COLUMN 6 INVESTMENT DISCRETION	COLUMN 7 OTHER MANAGERS	COLUMN 8	
				SHRS OR PRN AMT	SH/ PRN			PUT/ CALL	SOLE
Banknorth Group Inc.	Common	06646R107	41,772	1,141,300	SH	SOLE		SOLE	
Dupont Photomask's	Common	26613X101	18,111	685,761	SH	SOLE		SOLE	
Fidelity National	Common	316326107	8,087	177,070	SH	SOLE		SOLE	
Fox Entertainment	Common	35138T107	8,293	265,300	SH	SOLE		SOLE	
Goldcorp, Inc.	Common	380956409	12,310	818,455	SH	SOLE		SOLE	
ISPAT International	Common	464899103	27,855	720,700	SH	SOLE		SOLE	
Johnson Outdoors Inc.	Common	479167108	2,156	107,287	SH	SOLE		SOLE	
Mandalay Resort Ctr.	Common	562567107	38,672	549,090	SH	SOLE		SOLE	
Mandalay Resort Ctr.	Common	562567107	14,086	200,000	SH	CALL		SOLE	NONE
News Corp. Cl A	Common	65248E104	1,866	100,000	SH	SOLE		SOLE	
Sears Roebuck & Co.	Common	812387108	9,951	195,000	SH	SOLE		SOLE	
Symantec Corporation	Common	871503108	34,390	1,335,000	SH	SOLE		SOLE	
Symantec Corporation	Common	871503108	2,576	100,000	SH	CALL		SOLE	NONE
Veritas Software Corp.	Common	923436109	115,627	4,050,000	SH	SOLE		SOLE	
VISX, Inc.	Common	92844S105	31,383	1,213,110	SH	SOLE		SOLE	
WMC Resources	Common	92928R106	5,123	226,801	SH	SOLE		SOLE	

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COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	COLUMN 5		COLUMN 6	COLUMN 7	COLUMN 8	
NAME OF ISSUER	TITLE OF CLASS	CUSIP	VALUE (x\$1000)	SHRS OR PRN AMT	SH/ PRN	PUT/ CALL	INVESTMENT DISCRETION	OTHER MANAGERS	VOTING AUTHORITY SOLE SHARED NONE
Alcoa, Inc.	Common	016230104	1,633	27,900	SH		SOLE		SOLE
Caesars Entert., Inc.	Common	127687101	12,804	600,000	SH		SOLE		SOLE
Guidant Corp.	Common	401698105	78,589	1,090,000	SH		SOLE		SOLE
Guidant Corp.	Common	401698105	7,210	100,000	SH	CALL	SOLE		NONE
Hollinger Int'l Inc.	Common	435569108	28,111	1,792,800	SH		SOLE		SOLE
Lions Gate Ent.	Common	535919203	796	75,000	SH		SOLE		SOLE
Loews Corporation	Common	540424108	41,547	591,000	SH		SOLE		SOLE
Magnum Hunter	Common	55972F203	258	20,000	SH		SOLE		SOLE
Mylan Labs, Inc.	Common	628530107	44,737	2,530,400	SH		SOLE		SOLE
Noranda, Inc.	Common	655422103	9,193	524,300	SH		SOLE		SOLE
Ocular Sciences, Inc.	Common	675744106	38,336	782,200	SH		SOLE		SOLE
Omnicare, Inc.	Common	681904108	19,969	576,800	SH		SOLE		SOLE
Pulitzer, Inc.	Common	745769109	324	5,000	SH		SOLE		SOLE

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COLUMN 1 NAME OF ISSUER	COLUMN 2 TITLE OF CLASS	COLUMN 3 CUSIP	COLUMN 4		COLUMN 5		COLUMN 6 INVESTMENT DISCRETION	COLUMN 7 OTHER MANAGERS	COLUMN 8 VOTING AUTHORITY
			VALUE (>\$1000)	SHRS OR PRN AMT	SH/ PRN	PUT/ CALL			
Nextel Comm.	Common	65332V103	54,834	1,827,800	SH		SOLE		SOLE
	Common	65332V103	3,000	100,000	SH		SOLE		NONE
Sprint Corp (FON)	Common	852061100	48,954	1,970,000	SH		SOLE		SOLE
	Common	852061100	4,970	200,000	SH		SOLE		NONE