Owens-Illinois Receives Approval from Commission of The European Communities for Acquisition of BTR Packaging

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TOLEDO, Ohio, April 23 /PRNewswire/ -- Owens-Illinois, Inc., (NYSE: OI) today announced that it has received approval from the Commission of the European Communities for its previously announced acquisition of the worldwide glass and plastics packaging businesses of BTR plc and expects to complete the acquisition in the near future. Remaining regulatory clearances are anticipated shortly. The Commission's approval, received April 21, requires O-I to sell BTR's glass container interests in the United Kingdom.

Joseph H. Lemieux, Owens-Illinois chairman and chief executive officer, said, "We are delighted to have obtained prompt resolution of the Commission's regulatory review process. When we receive the remaining clearances, we can proceed with this strategic acquisition, which will strengthen our growth oriented international and plastics packaging operations. BTR's glass container operations in Australia and New Zealand will provide a solid base from which to expand in the Asia Pacific area, one of the major developing regions of the world and one where we currently have only a minimal presence. BTR's plastics operations will complement our already strong capabilities in plastics packaging and enhance our ability to support our customers' global expansion strategies."

With respect to BTR's glass container operations in the United Kingdom, Mr. Lemieux said, "We have received strong expressions of interest from a number of potential buyers, some of whom wanted to acquire the UK business but were not interested in submitting an offer for all of BTR's worldwide packaging operations. Once the BTR acquisition is completed, we intend to work diligently toward a speedy divestiture of that business." Pending the sale of the UK business, its management and operation will be maintained separately from other Owens-Illinois operations.

As announced previously, the all-cash acquisition of the BTR packaging assets, valued at US$3.6 billion, will be financed initially by bank borrowings. Promptly after closing, Owens-Illinois intends to refinance part of the bank borrowings by issuing a combination of approximately US$1.1 billion of public debt, US$350 million of convertible preferred securities, and US$500 million of common equity securities, with the objective of maintaining its debt-to-capital ratio at approximately current levels. When the Prospectus Supplements relating to the above-described securities become available, copies may be obtained by contacting Owens-Illinois.

Company Profile

Owens-Illinois is the largest manufacturer of glass containers in North America, South America, and India, and the second-largest in Europe. O-I also manufactures plastic containers, plastic closures, plastic prescription containers, labels, and multipack plastic carriers for beverage containers.
SOURCE Owens-Illinois, Inc.
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