Owens-Illinois Announces Equity and Debt Offerings of $2 Billion

May 1, 1998

TOLEDO, Ohio, May 1 /PRNewswire/ -- Owens-Illinois, Inc., (NYSE: OI) today announced plans to issue a combination of public debt and equity securities totaling approximately $2 billion. Proceeds will be utilized to reduce bank borrowings.

This refinancing includes proposed public offerings of 12,600,000 shares of common stock, 7,000,000 shares of convertible preferred stock, $250 million of senior notes due 2005, $300 million of senior notes due 2008, $300 million of senior debentures due 2010, and $250 million of senior debentures due 2018.

In the proposed common stock offering, all of the shares will be sold by the company. Owens-Illinois stock is listed on the New York Stock Exchange. As of April 30, 1998, approximately 140.8 million shares were outstanding. The company's stock price at the close of trading on April 30, 1998 was $39.56 per share.

Managing underwriters for the common stock offering are Salomon Smith Barney; BT Alex. Brown; Credit Suisse First Boston; Goldman, Sachs & Co.; Lehman Brothers; Merrill Lynch & Co.; and Morgan Stanley Dean Witter.

Managing underwriters for the convertible preferred stock offering are Salomon Smith Barney; BT Alex. Brown; Goldman, Sachs & Co.; and Lehman Brothers.

Managing underwriters for the debt offerings include Morgan Stanley Dean Witter; Credit Suisse First Boston; Goldman, Sachs & Co.; Lehman Brothers; and Salomon Smith Barney. Managing underwriters for the offering of senior notes due 2005 also will include First Chicago Capital Markets, Inc.; Merrill Lynch & Co.; and Scotia Capital Markets. Managing underwriters for the offering of senior notes due 2008 also will include BancAmerica Robertson Stephens; Merrill Lynch & Co.; and Scotia Capital Markets. Managing underwriters for the offering of senior debentures due 2010 also will include BancAmerica Robertson Stephens and NationsBanc Montgomery Securities LLC. Managing underwriters for the offering of senior debentures due 2018 also will include BT Alex. Brown and NationsBanc Montgomery Securities LLC.

Owens-Illinois is the largest manufacturer of glass containers in North America, South America, Australia, New Zealand, and India, and the second-largest in Europe. O-I also is a worldwide manufacturer of plastics packaging with operations in North America, South America, Australia, Europe, and Asia. Plastics packaging products manufactured by O-I include containers, closures, prescription containers, labels, and multipack carriers for beverage bottles.

Prospectuses relating to the common stock and the convertible preferred stock may be obtained by contacting:

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Prospectuses relating to the senior notes and senior debentures may be obtained by contacting:

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