Owens-Illinois Announces Public Offerings of Equity and Debt Securities Totaling $2.077 Billion

May 14, 1998

TOLEDO, Ohio, May 14 /PRNewswire/ -- Owens-Illinois, Inc., (NYSE: OI) today announced public offerings of common stock, convertible preferred stock, senior notes, and senior debentures totaling $2.077 billion. The securities are being offered pursuant to a prospectus and prospectus supplements under the company's $4.0 billion shelf registration declared effective on April 20, 1998. Proceeds from the offerings will be utilized to reduce bank borrowings.

Owens-Illinois announced the public offering of 13,800,000 shares of common stock at a price of $41.8125 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.

Owens-Illinois also announced the public offering of 8,000,000 shares of its $2.375 Convertible Preferred Stock at a price of $50.00 per share. Managing underwriters for the $2.375 Convertible Preferred Stock offering are Salomon Smith Barney; BT Alex. Brown; Goldman, Sachs & Co.; and Lehman Brothers.

Owens-Illinois also announced public offerings of the following debt securities:

-- $350 million principal amount of its 7.15% Senior Notes due May 15, 2005;

-- $250 million principal amount of its 7.35% Senior Notes due May 15, 2008;

-- $250 million principal amount of its 7.50% Senior Debentures due May 15, 2010; and

-- $250 million principal amount of its 7.80% Senior Debentures due May 15, 2018.

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 the 7.15% Senior Notes due 2005 also include First Chicago Capital Markets, Inc.; Merrill Lynch & Co.; and Scotia Capital Markets. Managing underwriters for the offering of the 7.35% Senior Notes due 2008 also include BancAmerica Robertson Stephens; Merrill Lynch & Co.; and Scotia Capital Markets. Managing underwriters for the offering of the 7.50% Senior Debentures due 2010 also include BancAmerica Robertson Stephens and NationsBanc Montgomery Securities LLC. Managing underwriters for the offering of the 7.80% Senior Debentures due 2018 also 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.

This communication shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any State in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such State.

Final prospectuses relating to the common stock and the $2.375 Convertible Preferred Stock may be obtained by contacting:

Rosemary DeRise
Salomon Smith Barney
7 World Trade Center
New York, NY 10048
telephone: 212-783-5097
fax: 212-783-2009

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

Lauren Leibsohn
Morgan Stanley Dean Witter
1585 Broadway
New York, NY 10036
telephone: 212-761-1721
fax: 212-761-0587

SOURCE Owens-Illinois
CONTACT: John Hoff of Owens-Illinois, 419-247-1203