Owens-Illinois Adds Glass Container Operations In Colombia, Peru

February 7, 2000

TOLEDO, Ohio, Feb. 7 /PRNewswire/ -- Owens-Illinois, Inc., (NYSE: OI) today announced the acquisitions of Colombian glass container manufacturer Compania Nacional de Vidrios, S.A., (Conalvidrios) and Peruvian glass container manufacturer Cia. Manufacturera de Vidrio del Peru Ltda., S.A. (CMVP).

Joseph H. Lemieux, Owens-Illinois chairman and chief executive officer, said, "These acquisitions will enhance our already strong market position in South America and further leverage our ability to take advantage of the long-term growth potential of these markets. While the severe economic downturn in South America has adversely affected the current business climate there, it also has provided us with excellent opportunities to restructure glass container manufacturing operations in these countries on a cost-effective basis. As a result, we expect to handle even more efficiently the anticipated resumption of growth in the Colombian and Peruvian markets, both of which are showing indications of strengthening."

Mr. Lemieux added, "With levels of glass container usage that remain very low by worldwide standards, South America's potential for long-term growth is among the strongest in the world." Current annual usage is estimated at approximately 30 glass containers per person in Colombia and 10 in Peru, compared with 120 in the United States.

Owens-Illinois expects that both of the newly acquired businesses will be accretive to earnings in 2000. The two companies had combined 1999 sales of approximately $100 million.

The acquired businesses, when combined with those of the company's existing operations -- Cristaleria Peldar, S.A. in Colombia and Vidrios Industriales, S.A. in Peru -- will make the Owens-Illinois affiliates the sole suppliers of glass containers in both countries. Elsewhere in South America, Owens-Illinois is the largest manufacturer of glass containers in Brazil, Ecuador, and Venezuela. The company also has growing plastics packaging operations in Brazil and Venezuela.

Forward-Looking Statements

This news release contains forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those projected. Forward-looking statements are necessarily projections which are subject to change upon the occurrence of events that may affect the business. The Company also points out that acquisitions involve a number of risks that can cause actual results to be materially different from expected results.

Owens-Illinois Profile

Owens-Illinois is the largest manufacturer of glass containers in North America, South America, Australia, New Zealand, and China, and one of the 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, and prescription containers.
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