/FIRST AND FINAL ADD -- CLW030 -- Owens-Illinois Earnings/

October 18, 2000

OWENS-ILLINOIS, INC.
Condensed Consolidated Results of Operations
(Millions of dollars, except per share amounts)

	Three Months ended September 30,	
	2000	1999
Revenues:		
Net sales	$1,430.3	$1,426.2
Royalties and net technical assistance	6.0	9.4
Equity earnings	6.3	6.6
Interest	8.4	6.7
Other	41.3	30.9
	1,492.3	1,479.8
Costs and expenses:		
Manufacturing, shipping, and delivery	1,126.4	1,112.2
Research and development	13.1	10.9
Engineering	5.4	9.5
Selling and administrative	73.6	71.9
Interest	124.2	106.1
Other(a)	843.7	39.5
	2,186.4	1,350.1
Earnings (loss) before items below	(694.1)	129.7
Provision (credit) for income taxes	(247.4)	49.2
Minority share owners' interests in earnings of subsidiaries	2.5	3.0
Net earnings (loss)	$ (449.2)	$ 77.5
Preferred stock dividends:		
Convertible	(5.4)	(5.4)
Exchangeable	(.1)	(.2)
Net earnings (loss) available to common share owners	(454.7)	71.9
Effect of dilutive securities - Exchangeable preferred stock dividends		.2
Net earnings (loss) used in diluted earnings per share calculation	$ (454.7)	$ 72.1
Basic net earnings (loss) per		

share of common stock	$ (3.12)	$ 0.46
Weighted average shares outstanding (000s)(b)	145,716	154,918
Diluted net earnings (loss) per share of common stock (c)	$ (3.12)	$ 0.46
Diluted average shares(000s)	145,716	156,283

(a) Amount for 2000 includes pretax charges totaling $798.3 million ($513.1 million after tax and minority share owners' interests) for the following: (1) $550.0 million ($342.1 million aftertax) related to adjustment of the reserve for estimated future asbestos-related costs; (2) $122.4 million ($77.3 million after tax and minority share owners' interests) related to the consolidation of manufacturing capacity; (3) a net charge of $52.4 million ($32.6 million aftertax) related to early retirement incentives and special termination benefits for 350 United States salaried employees; (4) $40.0 million ($40.0 million aftertax) related to the impairment of property, plant and equipment at the Company's facilities in India; and (5) $33.5 million ($21.1 million after tax and minority share owners' interests) related principally to the write-off of software and related development costs. The net aftertax effect of these items is a reduction in earnings per share of $3.52.

The net aftertax effects of these charges on the three months ended September 30, 2000 diluted earnings per share is as follows:

Net loss	$(3.12)
Unusual charges:	
Future asbestos-related costs	2.35
Consolidation of manufacturing capacity	0.53
Early retirement incentives and special termination benefits	0.22
India property, plant, and equipment impairment	0.27
Other asset write-offs, principally software	0.15
Net earnings before unusual charges	$ 0.40

(b) The Company's Board of Directors has authorized the management of the Company to repurchase up to 20 million shares of the Company's common stock. Since July 1999, the Company has repurchased 10,937,700 shares for $237.9 million. During the third quarter of 2000, the Company repurchased 235,700 shares pursuant to its share repurchase plan for $3.0 million. The Company intends to purchase its common stock from time to time on the open market depending on market conditions and other factors. As of September 30, 2000, Owens-Illinois had 145.7 million shares of common stock outstanding.

(c) Diluted earnings per share of common stock are equal to basic earnings per share of common stock for 2000 due to the net loss.

OWENS-ILLINOIS, INC.
Condensed Consolidated Results of Operations
(Millions of dollars, except per share amounts)

	Nine Months ended September 30,	
	2000	1999
Revenues:		
Net sales	$4,225.1	$4,156.3
Royalties and net technical assistance	19.5	23.6
Equity earnings	14.6	15.6
Interest	23.4	20.2
Other(a)	138.9	133.0
	4,421.5	4,348.7
Costs and expenses:		
Manufacturing, shipping, and delivery	3,279.9	3,180.4
Research and development	36.7	30.6
Engineering	24.9	27.1
Selling and administrative	214.5	211.1
Interest	360.8	315.1
Other(b)	944.4	147.0
	4,861.2	3,911.3
Earnings (loss) before items below	(439.7)	437.4
Provision (credit) for income taxes	(146.6)	167.6
Minority share owners' interests in earnings of subsidiaries	8.9	12.1
Net earnings (loss)	$ (302.0)	$ 257.7
Preferred stock dividends:		
Convertible	(16.1)	(16.1)
Exchangeable	(.2)	(.7)
Net earnings (loss) available to common share owners	(318.3)	240.9
Effect of dilutive securities - Exchangeable preferred stock dividends	--	.7
Net earnings (loss) used in diluted earnings per share calculation	$ (318.3)	$ 241.6
Basic net earnings (loss) per share of common stock	$ (2.18)	$ 1.55
Weighted average shares outstanding (000s)(c)	146,245	155,465
Diluted net earnings (loss) per share of common stock(d)	$ (2.18)	$ 1.54
Diluted average shares(000s)	146,245	156,924

(a) Amount for 1999 includes second quarter gains totaling $40.8 million ($23.6 million after tax and minority share owners' interests) related to the sales of a U.S. glass container plant and a mold manufacturing business in Colombia. The net aftertax benefit of these items on earnings per share is $0.15.

(b) Amount for 2000 includes pretax charges totaling $798.3 million ($513.1 million after tax and minority share owners' interests) for the following: (1) $550.0 million ($342.1 million aftertax) related to adjustment of the reserve for estimated future asbestos-related costs; (2) $122.4 million ($77.3 million after tax and minority share owners' interests) related to the consolidation of manufacturing capacity; (3) a net charge of $52.4 million ($32.6 million aftertax) related to early retirement incentives and special termination benefits for 350 United States salaried employees; (4) $40.0 million ($40.0 million aftertax) related to the impairment of property, plant and equipment at the Company's facilities in India; and (5) $33.5 million ($21.1 million after tax and minority share owners' interests) related principally to the write-off of software and related development costs. The net aftertax effect of these items is a reduction in earnings per share of $3.51.

Amount for 1999 includes second quarter charges totaling $20.8 million ($14.0 million after tax and minority share owners' interests) related principally to restructuring costs and write-offs of certain assets in Europe and South America. The net aftertax effect of these items is a reduction in earnings per share of $0.09.

The net aftertax effects of items (a) and (b) on the nine months ended September 30 diluted earnings per share is as follows:

	2000	1999
Net earnings (loss)	$(2.18)	$1.54
Unusual charges (credits):		
Future asbestos-related costs	2.34	--
Consolidation of manufacturing capacity	0.53	--
Early retirement incentives and special termination benefits	0.22	--
India property, plant, and equipment impairment	0.27	--
Other asset write-offs, principally software	0.15	--
Gains on asset sales	--	(0.15)
Restructuring costs and other asset write-offs	--	0.09
Net earnings before unusual charges and credits	$1.33	$1.48

(c) The Company's Board of Directors has authorized the management of the Company to repurchase up to 20 million shares of the Company's common stock. Since July 1999, the Company has repurchased 10,937,700 shares for $237.9 million. During the first nine months of 2000, the Company repurchased 937,700 shares pursuant to its share repurchase plan for $12.3 million. The Company intends to purchase its common stock from time to time on the open market depending on market conditions and other factors. As of September 30, 2000, Owens-Illinois had 145.7 million shares of common stock outstanding.

(d) Diluted earnings per share of common stock are equal to basic earnings

per share of common stock for 2000 due to the net loss.

OWENS-ILLINOIS, INC.
Consolidated Supplemental Financial Data
With EBIT as reported
(Preliminary - subject to change)
(Millions of dollars)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2000	1999	2000	1999
Net sales:				
Glass Containers	$ 948.2	$ 982.5	$2,784.2	$2,817.8
Plastics Packaging	465.5	425.7	1,387.1	1,282.3
Other	16.6	18.0	53.8	56.2
Segment and consolidated net sales	$1,430.3	$1,426.2	$4,225.1	$4,156.3
EBIT as reported(a)(b)(c):				
Glass Containers	$ (40.9)	$ 156.0	$ 274.7	$ 487.8
Plastics Packaging	56.8	67.3	204.8	233.4
Other	(.2)	1.1	(.1)	4.8
Segment EBIT	15.7	224.4	479.4	726.0
Eliminations and other retained costs	(594.0)	4.7	(581.7)	6.3
Consolidated EBIT	$ (578.3)	$ 229.1	$ (102.3)	$ 732.3
Selected Cash Flow Information				
Amortization of deferred costs	$ 35.0	$ 35.1	$ 106.8	$ 104.7
Depreciation	$ 102.4	$ 104.5	$ 312.1	$ 303.3
Additions to property, plant, and equipment	$ 92.4	$ 159.9	$ 342.0	$ 421.3
Asbestos-related payments	$ 46.4	$ 28.7	$ 119.6	$ 96.7
Asbestos-related insurance proceeds	$ 1.7	$ 2.7	$ 2.0	$ 3.3

	September 30, 2000	September 30, 1999
Total debt	$5,871.9	$5,751.0

Share owners' equity	$1,866.2	$2,493.2

(a) EBIT consists of consolidated earnings before interest income, interest expense, provision for income taxes, and minority share owners' interests in earnings of subsidiaries.

(b) Amount for 2000 includes pretax charges totaling $798.3 million for the following: (1) $550.0 million related to adjustment of the reserve for estimated future asbestos-related costs; (2) $122.4 million related to the consolidation of manufacturing capacity; (3) a net charge of $52.4 million related to early retirement incentives and special termination benefits for 350 United States salaried employees; (4) $40.0 million related to the impairment of property, plant and equipment at the Company's facilities in India; and (5) $33.5 million related principally to the write-off of software and related development costs. Such items are included as follows in consolidated EBIT for the three and nine months ended September 30, 2000:

	Three and nine months ended September 30, 2000
Glass Containers	$186.0
Plastics Packaging	11.2
Total Product Segments	197.2
Eliminations and other retained costs	601.1
Consolidated Totals	$798.3

(c) Segment EBIT for the Glass Containers segment for the nine months ended September 30, 1999 includes the following: (1) gains totaling $40.8 million related to the sales of a U.S. glass container manufacturing plant and a mold manufacturing business in Colombia, and (2) charges totaling $20.8 million related principally to restructuring costs and write-offs of certain assets in Europe and South America.

OWENS-ILLINOIS, INC.
Consolidated Supplemental Financial Data
With EBIT excluding unusual items
(Preliminary - subject to change)
(Millions of dollars)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2000	1999	2000	1999
Net sales:				
Glass Containers	$ 948.2	$ 982.5	$2,784.2	$2,817.8
Plastics Packaging	465.5	425.7	1,387.1	1,282.3
Other	16.6	18.0	53.8	56.2
Segment and consolidated net sales	$1,430.3	$1,426.2	$4,225.1	$4,156.3
EBIT excluding unusual items(a)(b)(c):				
Glass Containers	$ 145.1	$ 156.0	$ 460.7	$ 467.8
Plastics Packaging	68.0	67.3	216.0	233.4

Other	(.2)	1.1	(.1)	4.8
Segment EBIT	212.9	224.4	676.6	706.0
Eliminations and other retained costs	7.1	4.7	19.4	6.3
Consolidated EBIT	$ 220.0	$ 229.1	$ 696.0	$ 712.3

Selected Cash Flow Information

Amortization of deferred costs	$ 35.0	$ 35.1	$ 106.8	$ 104.7
Depreciation	$ 102.4	$ 104.5	$ 312.1	$ 303.3
Additions to property, plant, and equipment	$ 92.4	$ 159.9	$ 342.0	$ 421.3
Asbestos-related payments	$ 46.4	$ 28.7	$ 119.6	$ 96.7
Asbestos-related insurance proceeds	$ 1.7	$ 2.7	$ 2.0	$ 3.3

	September 30, 2000	September 30, 1999
Total debt	$5,871.9	$5,751.0
Share owners' equity	$1,866.2	$2,493.2

(a) EBIT consists of consolidated earnings before interest income, interest expense, provision for income taxes, and minority share owners' interests in earnings of subsidiaries.

(b) Amount for 2000 excludes pretax charges totaling $798.3 million for the following: (1) $550.0 million related to adjustment of the reserve for estimated future asbestos-related costs; (2) $122.4 million related to the consolidation of manufacturing capacity; (3) a net charge of $52.4 million related to early retirement incentives and special termination benefits for 350 United States salaried employees; (4) $40.0 million related to the impairment of property, plant and equipment at the Company's facilities in India; and (5) $33.5 million related principally to the write-off of software and related development costs. Such items are excluded as follows in consolidated EBIT for the three and nine months ended September 30, 2000:

	Three and nine months ended September 30, 2000
Glass Containers	$186.0
Plastics Packaging	11.2
Total Product Segments	197.2

Eliminations and other retained costs	601.1
Consolidated Totals	$798.3

(c) Segment EBIT for the Glass Containers segment for the nine months ended September 30, 1999 excludes the following: (1) gains totaling $40.8 million related to the sales of a U.S. glass container manufacturing plant and a mold manufacturing business in Colombia, and (2) charges totaling $20.8 million related principally to restructuring costs and write-offs of certain assets in Europe and South America.

SOURCE Owens-Illinois, Inc.
Web site: http: //www.O-I.com
Company News On-Call: http: //www.prnewswire.com/comp/117254.html or fax, 800-758-5804, ext. 117254