Owens-Brockway Glass Container Inc. Commences Exchange Offer for Senior Notes Due 2009

July 2, 2002

TOLEDO, Ohio, July 2 /PRNewswire-FirstCall/ -- Owens-Brockway Glass Container Inc., an indirect wholly owned subsidiary of Owens-Illinois, Inc. (NYSE: OI), today announced that it has commenced a registered exchange offer to exchange $1,000,000,000 aggregate principal amount of its 8-7/8% Senior Notes due 2009 which have been registered under the Securities Act of 1933, as amended (the "Exchange Notes") for any and all of its outstanding 8-7/8% Senior Notes due 2009 which have not been registered under the Securities Act (the "Private Notes").

The sole purpose of the exchange offer is to fulfill the obligations of Owens-Brockway with respect to the registration of the Private Notes. Pursuant to a registration rights agreement entered into by Owens-Brockway in connection with the sale of the Private Notes, Owens-Brockway agreed to file with the Securities and Exchange Commission a registration statement relating to the exchange offer pursuant to which the Exchange Notes, containing substantially identical terms to the Private Notes, would be offered in exchange for Private Notes that are tendered by the holders of those notes.

Any Private Notes not tendered for exchange in the exchange offer will remain outstanding and continue to accrue interest, but will not retain any rights under the registration rights agreement except in limited circumstances.

The terms of the exchange offer are contained in an exchange offer prospectus and related letter of transmittal. The exchange offer will expire at 5:00 p.m., New York City time, on July 31, 2002, unless extended (the "Expiration Date"). Private Notes tendered pursuant to the exchange offer may be withdrawn at any time prior to the Expiration Date by following the procedures set forth in the letter of transmittal.

Requests for assistance or for copies of the exchange offer prospectus and the related letter of transmittal should be directed to U.S. Bank National Association, the exchange agent, at 651-244-8677.

This announcement is not an offer to sell any securities or a solicitation of any offer to buy any securities. The exchange offer will be made only by means of a written prospectus.

Copies of Owens-Illinois news releases are available at the Owens-Illinois web site at www.o-i.com ; or at www.prnewswire.com .

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