Owens-Illinois Announces New Credit Facilities

June 16, 2003

TOLEDO, Ohio, June 16 /PRNewswire-FirstCall/ -- Owens-Illinois, Inc. (NYSE: OI) today announced that certain of its subsidiaries have entered into senior secured credit facilities totaling $1.9 billion. The new facilities consist of a $600 million revolving credit facility and a $460 million A term loan, which have a maturity date of April 1, 2007, and an $840 million B term loan, which has a maturity date of April 1, 2008. Proceeds from borrowings under the amended and restated facilities will be used to repay all amounts outstanding under the company's $1.9 billion credit facility, which had been scheduled to mature on March 31, 2004.

Borrowings under the facilities continue to be secured by substantially all the assets of the company's domestic subsidiaries and certain foreign subsidiaries. Borrowings under the new facilities are also secured by a pledge of the intercompany debt and equity in most of the domestic subsidiaries and certain stock in certain foreign subsidiaries.

All-in pricing on the facilities is Libor (the London interbank offered rate) plus 325 basis points, an increase of 75 basis points. Covenants in the new facilities enable the subsidiaries and the company to continue to operate existing businesses on a day-to-day basis consistent with past practice.

Owens-Illinois is the largest manufacturer of glass containers in North America, South America, Australia and New Zealand, and one of the largest in Europe. O-I also is a worldwide manufacturer of plastics packaging with operations in North America, South America, Europe, Australia and New Zealand. Plastics packaging products manufactured by O-I include consumer products (blow molded containers, injection molded closures and dispensing systems) and prescription containers.

Copies of this press release as well as other Owens-Illinois news releases are available at the Owens-Illinois web site at http://www.o-i.com ; or at http://www.prnewswire.com .

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