Owens-Illinois Reports Sale of Notes Receivable

July 11, 2003

TOLEDO, Ohio, July 11 /PRNewswire-FirstCall/ -- Owens-Illinois, Inc., (NYSE: OI) today announced that it received payments totaling 100 million British pounds sterling (US$163.0 million) in connection with the sale to Ardagh Glass Limited of certain long-term notes receivable.

The notes were received in 1999 by the Company's wholly-owned subsidiary United Glass Limited in connection with its sale of Rockware, a United Kingdom glass container manufacturer obtained in the 1998 acquisition of the worldwide glass and plastics packaging businesses of BTR plc. The notes were due in 2006 and interest had previously been paid in kind through periodic increases in outstanding principal balances.

The proceeds from the sale of the notes will be used to reduce outstanding borrowings under the Company's bank credit facility and for general corporate purposes.

Joseph H. Lemieux, chairman and chief executive officer, said, "This is a very positive step in our ongoing program to improve liquidity and reduce debt. We will continue to pursue other opportunities to achieve these key goals."

The notes were sold at a discount that will result in the recognition of a pre-tax and after-tax loss of approximately 22.6 million British pounds sterling (US$37.4 million). The loss will be reflected in the Company's results of operations for the second quarter of 2003.

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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