Owens-Illinois to Close Hayward, Calif., Glass Container Plant

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TOLEDO, Ohio, Aug. 19 /PRNewswire-FirstCall/ -- Owens-Illinois, Inc., (NYSE: OI) today announced that the company will not rebuild its glass container manufacturing plant in Hayward, Calif.

The 394,000 square foot facility located on Hathaway Avenue has been out of production since June of this year when it experienced a major leak in its only glass furnace. The plant will officially close on November 17, 2003.

Company officials met today with employees and labor union officials at the plant, informing them of the decision. Approximately 170 employees will be affected. Hourly employees at the plant are represented by the Glass, Molders, Pottery, Plastics & Allied Workers International Union and the United Steelworkers of America Flint/Glass Industry Conference.

Robert Smith, vice president and general manager of the company's glass container operations, said, "This has been a very difficult decision. The people at the Hayward plant have worked hard and have done a good job. However we've determined we can provide continued good service to our customers and increase investor value by consolidating operations."

Glass containers formerly manufactured at the Hayward plant will be manufactured at the Oakland and Tracy, Calif., plants and in other company facilities.

The company will work with the unions to help place employees in positions at other Owens-Illinois facilities and with government agencies to help employees obtain unemployment benefits and search for new jobs.

After the closing of this facility, Owens-Illinois will have 24 glass container manufacturing plants in North America, 18 of which are in the U.S.

The Hayward facility opened in 1949 and was acquired by Owens-Brockway, a subsidiary of Owens-Illinois, in 1997. The plant produced glass containers primarily for the wine industry.

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 Owens-Illinois news releases are available at the Owens-Illinois web site at www.o-i.com or at www.prnewswire.com . To contact Owens-Illinois investor relations, dial 419-247-2400.

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