Owens-Illinois Announces Re-Alignment of Healthcare Packaging unit

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TOLEDO, Ohio, February 2005 -- Owens-Illinois, Inc., (NYSE:OI) announces a strategic re-alignment of the Company's healthcare packaging unit, including its prescription products, medical devices, healthcare container businesses, as well as the commercial responsibility for healthcare closure systems.

This re-alignment follows the sale of O-I's blow-molded plastic container business to Graham Packaging Company in October.

The new unit is named HealthCare Packaging and focuses on marketing integrated, creative and unique drug delivery packaging systems for retail pharmacy and the pharmaceutical, over-the-counter, dietary supplement, diagnostics and medical device industries. The business is expected to generate over $370,000,000 in revenues this year with products produced in plants worldwide.

Joseph V. Conda, O-I vice president and 35-year veteran of the Company, will lead HealthCare Packaging as president. Most recently, Mr. Conda served as general manager of O-I's Prescription Products business. Michael Paparone was recently named his successor as general manager, bringing 30 years of experience in various senior-level management positions at DuPont. Pat O'Connell will continue to serve as vice president of global sales and marketing for Prescription Products, and will coordinate all marketplace activity with HealthCare Packaging.

“O-I has been in the healthcare business for over 100 years,” said Conda. “That experience, plus our integration into the supply chain, our broad intellectual property base, regulatory knowledge and technical capabilities have O-I HealthCare Packaging poised for worldwide expansion.”

Helping the customer maintain quality and comply with required federal regulations is another practice at which O-I HealthCare excels, and has since the 1970s when it first introduced Screw-Loc®, Clic-Loc II® and 1-Clic® child-resistant technology.

“Our dedicated healthcare plants ensure regulatory compliance for our customers,” Conda said. “We also employ a full-time manager of regulatory affairs for personal service in that area.”

Our technologies and service capabilities have had to progress with the times “O'Connell said. “We're in the business of providing packaging solutions for our customers, and focusing on pharmaceutical delivery systems that help improve the quality of life for the general consumer. In addition, all of our packages are developed to accommodate and maximize productivity as well as workflow in retail, hospital and high-speed automated prescription dispensing operations.”

The sale of O-I's plastic blow-molding operations also has opened the door for the company to pursue a global network of alliances with other plastic container and healthcare packaging companies. It is re-focusing the company's efforts to work with O-I's glass operations on joint package development in a variety
of markets. And there are several new products, material, process and machine platform innovations in the pipeline to ensure many new pharmaceutical delivery systems from O-I HealthCare Packaging in the months ahead.

About O-I

Owens-Illinois is the largest manufacturer of glass containers in the world, with leading positions in Europe, North America, Asia Pacific and Latin America. O-I is also a leading manufacturer of health care packaging and specialty closure systems.

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