O-I Expands Operations in Peru to Meet Growing Demand

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PERRYSBURG, Ohio, Oct. 2 /PRNewswire-FirstCall/ -- Owens-Illinois, Inc. (NYSE: OI) today announced it is building a new glass container manufacturing facility in Lurin, Peru, based on existing and growing demand in the local glass container market and region. This $34 million investment will use existing O-I equipment and technologies from around the world.

Construction will begin in October 2006 and the plant is expected to be operational in the second half of 2007. This will further realign O-I's global footprint with demand in its fastest growing region in Latin America.

"This project allows us to construct a world class, low-cost facility by redeploying O-I machines and equipment idled by capacity rationalizations in other regions, in order to deliver on our strategy to grow with emerging economies like Peru. This capacity has been in our plans for some time, is on strategy and is consistent with our cash oriented plans. It's an excellent platform to grow with our brand partners in the region as well," said Rich Crawford, president, O-I Latin America Glass.

The new facility, in a district south of Lima, will replace production currently being imported from other countries and regions to support local demand, which has exceeded current capacity. The plant will manufacture glass containers for the Peruvian food and beverage markets.

At present, the Company operates one facility in Peru.

About O-I

Millions of times a day, O-I glass containers, healthcare packaging and specialty closure systems deliver many of the world's best-known consumer products to people all around the world. With leading positions in Europe, North America, Asia Pacific and Latin America, O-I provides consumer-preferred products that enable superior taste, purity, visual appeal and value benefits for our customers' products. Established in 1903, the company employs nearly 30,000 people and has more than 100 manufacturing facilities in 23 countries. In 2005, annual revenues were $7.2 billion. For more information, visit http://www.o-i.com.

SOURCE Owens-Illinois, Inc.

Note to Editors: Copies of this press release as well as other O-I press releases are available at the O-I Web site at http://www.o-i.com or at http://www.prnewswire.com.
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