

A glowing glass bottle is being processed in a factory. The bottle is held by a mechanical arm at the top and is positioned over a circular metal grate. The background is filled with bright orange and yellow light, suggesting a high-temperature environment. The bottle is the central focus, with its shape clearly defined against the bright background.

Packaged for the Future. O-I Glass.





PROFILE OF A LEADER

O-I is the world's largest glass container manufacturer, with more than 22,000 employees and operations in 21 countries. This \$7.1 billion company is headquartered in Perrysburg, Ohio, U.S.A., and holds market leadership positions in each of the four regions in which it operates – Asia Pacific, Europe, Latin America and North America.

O-I glass containers protect the purity, quality and flavor of thousands of well-known food and beverage products, including beer, wine, spirits and non-alcoholic drinks.

COMPANY LEADERSHIP

(left to right)

Ed Snyder

Senior Vice President, Chief Process Improvement Officer

Jim Baehren

Senior Vice President, Strategic Planning and General Counsel

Rich Crawford

President, Global Glass Operations

Jose Lorente

President, O-I Europe

Al Stroucken

Chairman and Chief Executive Officer

Ed White

Senior Vice President, Chief Financial Officer

Andres Lopez

President, O-I Latin America

Steve Malia

Senior Vice President, Chief Human Resources Officer

Greg Ridder

President, O-I Asia Pacific

Miguel Escobar

President, O-I North America

OUR LEGACY:

A Technological Leader from the Start

Glass pioneer Michael J. Owens invented the automatic bottlemaking machine in 1903. The Owens bottle machine transformed glassmaking and served as the foundation of the modern-day glass container industry. It also positioned the Owens Bottle Company as a technological leader. In 1929, the Owens Bottle Company merged with the Illinois Glass Company to form Owens-Illinois, Inc.

Today, O-I's flexibility and global manufacturing infrastructure are unmatched in the industry. Building on the heritage of Michael Owens, the company continues to drive innovation and excellence in glassmaking.



SNAPSHOT OF SUCCESS

BY THE NUMBERS

(Year End 2009)

- \$7.1 billion in net sales
- 78 plants
- 21 countries
- 22,000+ employees worldwide
- 1,900+ worldwide patents



Finished beer bottles undergo one step of O-I's rigorous inspection process at the company's Achern, Germany, plant.

FINANCIAL HIGHLIGHTS

U.S. dollars in millions, except per-share amounts.

Summary of Financial Data	2009	2008	2007
Net sales	\$7,066.5	\$7,884.7	\$7,566.7
Segment operating profit	996.0	1,156.8	1,107.0
Net interest expense	193.1	214.4	306.3
Earnings from continuing operations attributable to the Company ¹	161.8	251.5	299.3
Net earnings attributable to the Company	161.8	258.3	1,340.6
Diluted earnings per share: ²			
Earnings from continuing operations	0.95	1.48	1.78
Net earnings	0.95	1.52	7.99
Continuing operations:			
Capital expenditures	427.6	361.7	292.5
Depreciation	374.8	431.0	423.4
Amortization of intangibles	21.1	28.9	28.9
Free cash flow ³	372.4	395.5	361.2
Net debt ⁴	2,797.8	2,954.6	3,326.7
Management working capital as a % of net sales ⁵	16.5%	16.3%	18.6%
Gross profit %	21.0%	21.3%	21.1%
Operating expense as a % of net sales ⁶	8.0%	7.3%	7.7%

¹ Continuing operations excludes the gain on sale of O-I's discontinued plastics operations.

² The net effect of asbestos-related charges and other items management considered not representative of ongoing operations was a decrease of \$1.98 per share in 2009, \$2.32 per share in 2008 and \$1.16 per share in 2007.

³ Free cash flow is defined as cash provided by continuing operating activities less capital expenditures for continuing operations.

⁴ Net debt is defined as total debt less cash.

⁵ Management working capital is defined as accounts receivable, inventory and repair parts less accounts payable.

⁶ Operating expense equals selling and administrative expense plus research, development and engineering expense.



THE PATH FORWARD

O-I's strategic priorities provide a path for the company's growth, as well as a unique position in the highly competitive packaging industry. These priorities reflect areas of existing strength, such as operational excellence, and targeted areas for greater investment, such as global marketing and innovation. Supported by Lean Six Sigma discipline, strategic business plans and a commitment to sustainability, these priorities are driving O-I forward and optimizing returns for our shareholders.

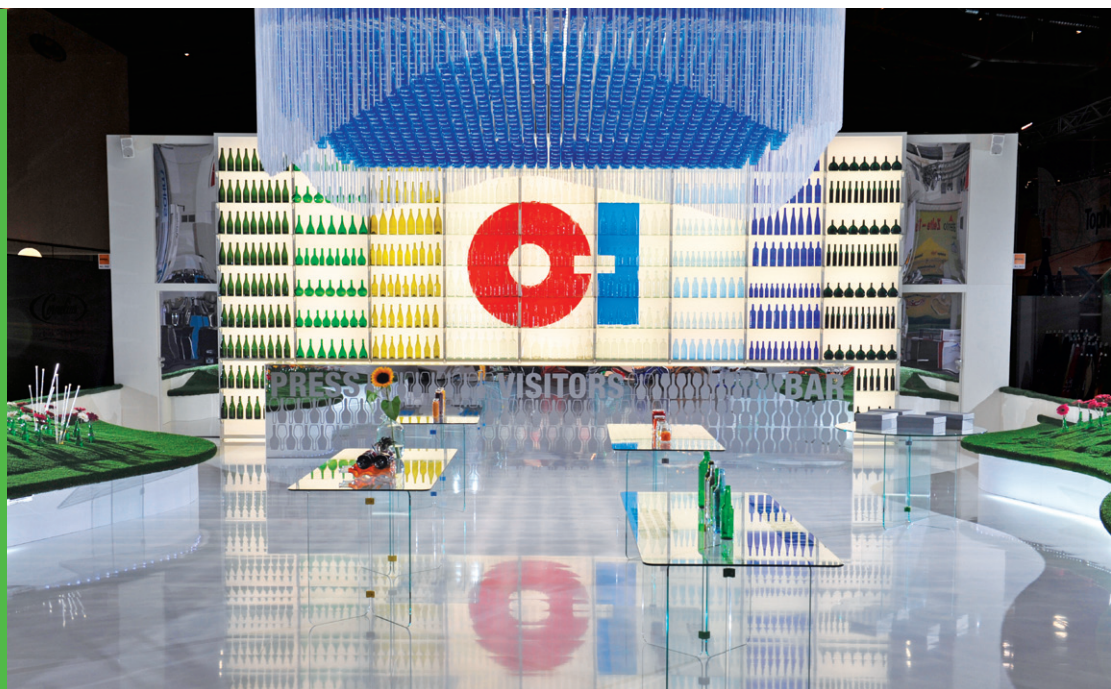
Marketing Glass

Innovation & Technology

Operational Excellence

Strategic & Profitable Growth

The new O-I booth at the 2009 DRINKTEC conference in Munich, Germany, emphasized the beauty and versatility of glass containers.



MARKETING GLASS

Glass packaging offers an image that other packaging options do not. Glass is pure, safe, healthy and infinitely recyclable. O-I has renewed its focus on developing partnerships with customers to better understand their markets and develop packaging solutions that differentiate their brands. With a global catalog of shapes, designs and colors, and new innovations in the pipeline, O-I offers limitless options to its customers.



O-I Asia Pacific Communications Manager Dieter Lehmann and Corporate Accounting Manager Elissa Cox discuss the company's sustainability initiatives with Global Vice President of Government Relations Dan Steen.



One of O-I's greatest opportunities is to position glass as the preferred solution for customers who have chosen other packaging alternatives in the past. By emphasizing the indisputable attributes of glass, such as its unique ability to preserve the purity and taste of contents, O-I is drawing customers back to glass and successfully influencing others to increase their use of glass. A rejuvenation is underway.

SUSTAINABILITY

The bedrock of O-I's priorities is a commitment to sustainability. With 2007 as the baseline, the company is committing to aggressive 10-year goals to lower energy consumption by 50 percent, reduce carbon dioxide-equivalent emissions by 65 percent and increase to 60 percent the amount of post-consumer recycled glass it uses to make new glass.

In addition to reducing the company's environmental footprint, O-I also is intently focused on creating and sustaining a culture dedicated to safety. Building on a 42-percent reduction in lost-time accidents in 2009, O-I is striving for a goal of zero injuries.

INNOVATION & TECHNOLOGY

Innovation requires research, and research requires time, resources and expertise. O-I is investing in basic glass science research and development to yield innovative new products and process technologies that benefit our customers.





(left to right) Ultraviolet light is used to rapidly set the coating on a bottle in O-I's Glass and Material Sciences Lab; Concept Designer Ophelia Tevelein; the symbol of O-I's Lean+Green program; Adelaide, Australia, plant Multi-Skilled Operator Adam Krznar.

The company's expanding R&D team comprises scientists focused on new ways to melt and form glass and make glass containers lighter and stronger. Partnering with O-I's global marketing team on the inside and customers, academics and other experts on the outside, O-I innovators are working to bring the next wave of glass container products to the marketplace. These product concepts are rooted in research and anticipate opportunities to differentiate customers' brands.

One recent innovation is O-I's internal embossing capability. O-I has developed a unique technology to emboss the inside of a glass bottle, thereby enhancing product flow and offering a distinctive look with great consumer appeal. Another product development program resulted in premium wine bottles that weigh up to 28 percent less than traditional bottles. The Lean+Green® lightweight wine bottle debuted in Australia in 2009, and is now in demand across the globe.

OPERATIONAL EXCELLENCE

Operational excellence is a hallmark of O-I. The company prides itself on being a best-in-class manufacturer. This distinction reflects the dedication and commitment of the company's employees to enhance productivity, drive down costs, eliminate waste and promote a safe working environment. Customers see this priority in O-I's relentless dedication to producing the highest quality glass containers. But, operational excellence is not limited to manufacturing—it defines the entire organization.



An example of operational excellence in action is O-I's Latin American region. The region's leadership has focused on optimizing their cost base, enhancing the flexibility and scalability of their manufacturing operations and driving innovation and profitability. By leveraging best practices, these successful initiatives are yielding new markets and new opportunities for O-I in Latin America.

CEO Al Stroucken marks the opening of O-I's Tianjin, China, mould plant.



O-I's targeted growth markets of Asia Pacific and Latin America collectively represent more than 50 percent of global glass consumption.

STRATEGIC & PROFITABLE GROWTH

During the past three years, O-I has significantly strengthened its balance sheet, driving down costs, improving margins and enhancing free cash flow. As a result, the company is uniquely positioned in the glass container industry to pursue acquisitions, joint ventures and new plant construction.

Drawing on this financial strength, O-I is focused on entering or expanding its presence in rapidly growing markets with existing preferences for glass, particularly in Asia Pacific and Latin America.

Multi-Skilled Operator Van Vo of O-I's Melbourne, Australia, plant.



A row of empty green glass bottles in a factory setting. The bottles are arranged in a line, receding into the background. The lighting is warm and industrial, with some blurred lights in the background. The bottles are the central focus of the image.

THE COMPLETE PACKAGE

As the world's largest glass container manufacturer, O-I is dedicated to providing superior value to its customers and shareholders by leading industry advancements, promoting glass, operating with excellence, pursuing strategic growth opportunities and driving responsible environmental practices.

Glass is pure. It preserves flavor. It's safe. It's infinitely recyclable. It can be reused. It's been in use for more than 3,000 years, and it still offers endless possibilities.