UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

(Mark one)

FORM 10-Q

(x) Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For Quarter Ended September 30, 1999

or

( ) Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Owens-Illinois, Inc.

(Exact name of registrant as specified in its charter)

Delaware	1-9576	22-2781933
(State or other jurisdiction of incorporation or organization)	(Commission File No.)	(IRS Employer Identification No.)

One SeaGate, Toledo, Ohio	43666
(Address of principal executive offices)	(Zip Code)

419-247-5000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No ___

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Owens-Illinois, Inc. $.01 par value common stock - 150,124,709 shares at October 31, 1999.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

The Condensed Consolidated Financial Statements presented herein are unaudited but, in the opinion of management, reflect all adjustments necessary to present fairly such information for the periods and at the dates indicated. Since the following unaudited condensed consolidated financial statements have been prepared in accordance with Article 10 of Regulation S-X, they do not contain all information and footnotes normally contained in annual consolidated financial statements; accordingly, they should be read in conjunction with the Consolidated Financial Statements and notes thereto appearing in the Registrant's Annual Report on Form 10-K for the year ended December 31, 1998.

OWENS-ILLINOIS, INC.
CONDENSED CONSOLIDATED RESULTS OF OPERATIONS
Three months ended September 30, 1999 and 1998
(Millions of dollars, except share and per share amounts)

	1999	1998
Revenues:		
Net sales	$1,426.2	$1,453.6
Royalties and net technical assistance	9.4	7.4
Equity earnings	6.6	1.4
Interest	6.7	7.6
Other	30.9	30.7
	1,479.8	1,500.7
Costs and expenses:		
Manufacturing, shipping, and delivery	1,112.2	1,105.7
Research and development	10.9	9.5
Engineering	9.5	8.7
Selling and administrative	71.9	72.4
Interest	106.1	103.5
Other	39.5	20.4
	1,350.1	1,320.2
Earnings before items below	129.7	180.5
Provision for income taxes	49.2	63.3
Minority share owners' interests in earnings of subsidiaries	3.0	3.6
Net earnings	$ 77.5	$ 113.6
Basic earnings per share of common stock	$ 0.46	$ 0.70
Weighted average shares outstanding (thousands)	154,918	155,346
Diluted earnings per share of common stock	$ 0.46	$ 0.69
Weighted diluted average shares (thousands)	156,283	165,629

See accompanying notes.

OWENS-ILLINOIS, INC.
CONDENSED CONSOLIDATED RESULTS OF OPERATIONS
Nine months ended September 30, 1999 and 1998
(Millions of dollars, except share and per share amounts)

	1999	1998
Revenues:		
Net sales	$4,156.3	$3,937.1
Royalties and net technical assistance	23.6	20.6
Equity earnings	15.6	10.6
Interest	20.2	22.1
Other	133.0	100.8
	4,348.7	4,091.2
Costs and expenses:		
Manufacturing, shipping, and delivery	3,180.4	2,998.4
Research and development	30.6	26.1
Engineering	27.1	25.1
Selling and administrative	211.1	199.5
Interest	315.1	267.8
Other	147.0	92.2
	3,911.3	3,609.1
Earnings before items below	437.4	482.1
Provision for income taxes	167.6	154.1
Minority share owners' interests in earnings of subsidiaries	12.1	19.0
Earnings before extraordinary items	257.7	309.0
Extraordinary charges from early extinguishment of debt, net of applicable income taxes		(14.1)
Net earnings	$ 257.7	$ 294.9
Basic earnings per share of common stock:		
Earnings before extraordinary items	$ 1.55	$ 2.03
Extraordinary charges		(0.10)
Net earnings	$ 1.55	$ 1.93
Weighted average shares outstanding (thousands)	155,465	148,135
Diluted earnings per share of common stock:		
Earnings before extraordinary items	$ 1.54	$ 2.00
Extraordinary charges		(0.09)
Net earnings	$ 1.54	$ 1.91
Weighted diluted average shares (thousands)	156,924	154,046

See accompanying notes.

OWENS-ILLINOIS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
September 30, 1999, December 31, 1998, and September 30, 1998
(Millions of dollars)

Assets	Sept. 30, 1999	Dec. 31, 1998	Sept. 30, 1998
Current assets:			
Cash, including time deposits	$ 205.5	$ 271.4	$ 294.0
Short-term investments, at cost which approximates market	29.3	21.1	23.1
Receivables, less allowances for losses and discounts ($52.8 at September 30, 1999, $56.9 at December 31, 1998, and $39.6 at September 30, 1998)	918.7	877.7	830.0
Inventories	851.6	838.1	801.3
Prepaid expenses	162.6	168.8	169.8
Total current assets	2,167.7	2,177.1	2,118.2
Other assets:			
Equity investments	194.5	195.3	190.1
Repair parts inventories	252.6	254.2	267.2
Prepaid pension	753.1	686.1	705.2
Insurance receivable for asbestos-related costs	209.5	212.8	217.5
Deposits, receivables, and other assets	536.8	383.7	373.1
Net assets held for sale		409.6	567.0
Excess of purchase cost over net assets acquired, net of accumulated amortization ($478.1 at September 30, 1999, $405.3 at December 31, 1998, and $381.2 at September 30, 1998)	3,295.2	3,314.9	3,116.7
Total other assets	5,241.7	5,456.6	5,436.8
Property, plant, and equipment, at cost	5,508.4	5,394.1	5,214.1
Less accumulated depreciation	2,119.0	1,967.1	1,895.0
Net property, plant, and equipment	3,389.4	3,427.0	3,319.1
Total assets	$10,798.8	$11,060.7	$10,874.1

CONDENSED CONSOLIDATED BALANCE SHEETS -- continued

Liabilities and Share Owners' Equity	Sept. 30, 1999	Dec. 31, 1998	Sept. 30, 1998
Current liabilities:			
Short-term loans and long-term debt due within one year	$ 246.5	$ 249.5	$ 231.8
Current portion of asbestos-related liabilities	85.0	85.0	70.0
Accounts payable and other liabilities	984.8	992.6	985.1
Total current liabilities	1,316.3	1,327.1	1,286.9
Long-term debt	5,504.5	5,667.2	5,602.7
Deferred taxes	379.7	325.0	313.1
Nonpension postretirement benefits	319.4	338.4	337.7
Other liabilities	579.7	690.4	411.8
Commitments and contingencies			
Minority share owners' interests	206.0	240.6	258.8
Share owners' equity:			
Convertible preferred stock, par value $.01 per share, liquidation preference $50 per share, 9,050,000 shares authorized, issued and outstanding	452.5	452.5	452.5
Exchangeable preferred stock	12.9	18.3	20.1
Common stock, par value $.01 per share, 250,000,000 shares authorized, 156,302,489 shares issued and outstanding, less 3,764,900 treasury shares at September 30, 1999 (155,450,173 issued and outstanding at December 31, 1998; and 155,356,862 issued and outstanding at September 30, 1998)	1.6	1.5	1.5
Capital in excess of par value	2,192.5	2,183.1	2,181.1
Treasury stock, at cost	(84.9)		
Retained earnings	248.9	7.3	199.5
Accumulated other comprehensive income	(330.3)	(190.7)	(191.6)
Total share owners' equity	2,493.2	2,472.0	2,663.1
Total liabilities and share owners' equity	$10,798.8	$11,060.7	$10,874.1

See accompanying notes.

OWENS-ILLINOIS, INC.
CONDENSED CONSOLIDATED CASH FLOWS
Nine months ended September 30, 1999 and 1998
(Millions of dollars)

	1999	1998
Cash flows from operating activities:		
Earnings before extraordinary items	$ 257.7	$ 309.0
Non-cash charges (credits):		
Depreciation	303.3	268.1
Amortization of deferred costs	104.7	73.1
Restructuring costs, writeoffs of certain assets and settlement of environmental litigation	20.8	16.3
Gains on asset sales	(40.8)	(18.5)
Other	(59.8)	(34.9)
Change in non-current operating assets	(36.7)	(45.0)
Asbestos-related payments	(96.7)	(70.8)
Asbestos-related insurance proceeds	3.3	21.8
Reduction of non-current liabilities	(13.6)	(4.1)
Change in components of working capital	(106.5)	(103.3)
Cash provided by operating activities	335.7	411.7
Cash flows from investing activities:		
Additions to property, plant, and equipment	(421.3)	(377.3)
Acquisitions, net of cash acquired	(34.0)	(3,596.5)
Net cash proceeds from divestitures	318.5	40.6
Cash utilized in investing activities	(136.8)	(3,933.2)
Cash flows from financing activities:		
Additions to long-term debt	311.0	5,160.6
Repayments of long-term debt	(495.3)	(2,631.2)
Increase in short-term loans	29.9	68.0
Treasury shares purchased	(84.9)	
Payment of convertible preferred stock dividends	(16.1)	(5.1)
Issuance of common stock	2.8	640.7
Issuance of convertible preferred stock		439.6
Payment of finance fees and debt retirement costs		(61.5)
Cash provided by (utilized in) financing activities	(252.6)	3,611.1
Effect of exchange rate fluctuations on cash	(12.2)	(13.8)
Increase (decrease) in cash	(65.9)	75.8
Cash at beginning of period	271.4	218.2
Cash at end of period	$ 205.5	$ 294.0

See accompanying notes.

OWENS-ILLINOIS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
Tabular data in millions of dollars,
except share and per share amounts

1. Earnings Per Share

The following table sets forth the computations of basic and diluted earnings per share:

	Three months ended September 30, 1999	1998
Numerator:		
Net earnings	$ 77.5	$113.6
Preferred stock dividends:		
Convertible	(5.4)	(5.4)
Exchangeable	(.2)	(.4)
	(5.6)	(5.8)
Numerator for basic earnings per share - income available to common share owners	71.9	107.8
Effect of dilutive securities - preferred stock dividends	.2	5.8
Numerator for diluted earnings per share - income available to common share owners after assumed exchanges of preferred stock for common stock	$ 72.1	$113.6
Denominator:		
Denominator for basic earnings per share - weighted average shares outstanding	154,917,816	155,345,678
Effect of dilutive securities:		
Stock options and other	613,286	972,251
Exchangeable preferred stock	752,337	722,036
Convertible preferred stock		8,589,355
Dilutive potential common shares	1,365,623	10,283,642
Denominator for diluted earnings per share - adjusted weighted average shares and assumed exchanges of preferred stock for common stock	156,283,439	165,629,320
Basic earnings per share	$0.46	$0.70
Diluted earnings per share	$0.46	$0.69

The Convertible preferred stock was not included in the computation of three months ended September 30, 1999 diluted earnings per share since the result would have been antidilutive. Options to purchase 2,905,439 and 1,706,898 weighted average shares of common stock which were outstanding during the three months ended September 30, 1999 and 1998, respectively, were not included in the computation of diluted earnings per share because the options' exercise price was greater than the average market price of the common shares and, therefore, the effect would be antidilutive.

	Nine months ended September 30,	
	1999	1998
Numerator:		
Earnings before extraordinary items	$257.7	$309.0
Preferred stock dividends:		
Convertible	(16.1)	(7.8)
Exchangeable	(.7)	(1.1)
	(16.8)	(8.9)
Numerator for basic earnings per share - income available to common share owners	240.9	300.1
Effect of dilutive securities - preferred stock dividends	.7	8.9
Numerator for diluted earnings per share - income available to common share owners after assumed exchanges of preferred stock for common stock	$241.6	$309.0
Denominator:		
Denominator for basic earnings per share - weighted average shares outstanding	155,464,546	148,135,216
Effect of dilutive securities:		
Stock options and other	707,352	1,067,158
Exchangeable preferred stock	752,087	690,648
Convertible preferred stock		4,153,095
Dilutive potential common shares	1,459,439	5,910,901
Denominator for diluted earnings per share - adjusted weighted average shares and assumed exchanges of preferred stock for common stock	156,923,985	154,046,117
Basic earnings per share	$1.55	$2.03
Diluted earnings per share	$1.54	$2.00

The Convertible preferred stock was not included in the computation of nine months ended September 30, 1999 diluted earnings per share since the result would have been antidilutive. Options to purchase 2,921,247 and 426,725 weighted average shares of common stock which were outstanding during the nine months ended September 30, 1999 and 1998, respectively, were not included in the computation of diluted earnings per share because the options' exercise price was greater than the average market price of the common shares and, therefore, the effect would be antidilutive.

2. Inventories

Major classes of inventory are as follows:

	Sept. 30, 1999	Dec. 31, 1998	Sept. 30, 1998
Finished goods	$614.7	$608.9	$584.8
Work in process	30.6	35.0	28.9
Raw materials	125.8	123.6	116.5
Operating supplies	80.5	70.6	71.1
	$851.6	$838.1	$801.3

3. Long-Term Debt

The following table summarizes the long-term debt of the Company:

	Sept. 30, 1999	Dec. 31, 1998	Sept. 30, 1998
Bank Credit Agreement:			
Revolving Credit Facility:			
Revolving Loans	$2,230.0	$2,207.0	$2,152.0
Offshore Loans:			
1.42 billion (1.39 billion at December 31, 1998 and September 30, 1998) Australian dollars	908.5	874.0	789.2
235 million (333 million at December 31, 1998 and September 30, 1998) British pounds	377.0	549.8	559.4
111 billion (129 billion and 153.5 billion at December 31, 1998 and September 30, 1998, respectively) Italian lira	60.7	77.0	88.9
Bid Rate Loans	46.0		50.0
Senior Notes:			
7.85%, due 2004	300.0	300.0	300.0
7.15%, due 2005	350.0	350.0	350.0
8.10%, due 2007	300.0	300.0	300.0
7.35%, due 2008	250.0	250.0	250.0
Senior Debentures:			
7.50%, due 2010	250.0	250.0	250.0
7.80%, due 2018	250.0	250.0	250.0
Other	251.7	350.6	327.9
	5,573.9	5,758.4	5,667.4
Less amounts due within one year	69.4	91.2	64.7
Long-term debt	$5,504.5	$5,667.2	$5,602.7

In April 1998, the Company entered into the Second Amended and Restated Credit Agreement (the "Bank Credit Agreement" or "Agreement") with a group of banks which expires on December 31, 2001. The Agreement provides for a $4.5 billion revolving credit facility (the "Revolving Credit Facility"), which includes a $1.75 billion fronted offshore loan revolving facility (the "Offshore Facility") denominated in certain foreign currencies, subject to certain sublimits, available to certain of the Company's foreign subsidiaries. The Agreement includes an Overdraft Account facility providing for aggregate borrowings up to $100 million which reduce the amount available for borrowing under the Revolving Credit Facility. In addition, the terms of the Bank Credit Agreement permit the Company to request Bid Rate Loans from banks participating in the Agreement. Borrowings outstanding under Bid Rate Loans are limited to $750 million and reduce the amount available for borrowing under the Revolving Credit Facility. The Agreement also provides for the issuance of letters of credit totaling up to $500 million, which also reduce the amount available for borrowing under the Revolving Credit Facility. At

September 30, 1999, the Company had unused credit of $828.4 million available under the Bank Credit Agreement.

Borrowings under the Revolving Loans commitment bear interest, at the Company's option, at the prime rate or a reserve adjusted Eurodollar rate. Loans under the Offshore Facility bear interest, at the applicable borrower's option, at the applicable Offshore Base Rate or the Adjusted Offshore Periodic Rate (as those terms are defined in the Bank Credit Agreement). Borrowings under the Revolving Credit Facility also bear a margin linked to the Company's Consolidated Leverage Ratio, as defined in the Agreement. The margin is currently .500% and is limited to a range of .275% to 1.000%. Overdraft Account loans bear interest at the prime rate minus the facility fee percentage, defined below. The weighted average interest rate on borrowings outstanding under the Revolving Loans commitment at September 30, 1999, was 5.93%. The weighted average interest rate on borrowings outstanding under the Offshore Facility at September 30, 1999, was 5.43%. While no compensating balances are required by the Agreement, the Company must pay a facility fee on the Revolving Credit Facility commitments. The facility fee, currently .250%, is limited to a range of .125% and .500%, based on the Company's Consolidated Leverage Ratio.

Borrowings outstanding under the Bank Credit Agreement are unsecured. All of the obligations of the Company's foreign subsidiaries under the Offshore Facility are guaranteed by the Company. The Company's Senior Notes and Senior Debentures rank pari passu with the obligations of the Company under the Bank Credit Agreement. The Bank Credit Agreement, Senior Notes, and Senior Debentures are senior in right of payment to all existing and future subordinated debt of the Company.

Under the terms of the Bank Credit Agreement, dividend payments with respect to the Company's Preferred or Common Stock and payments for redemption of shares of its Common Stock are subject to certain limitations. The Agreement also requires, among other things, the maintenance of certain financial ratios, and restricts the creation of liens and certain types of business activities and investments.

4. Cash Flow Information

Interest paid in cash aggregated $242.0 million and $209.2 million for the nine months ended September 30, 1999 and September 30, 1998, respectively. Income taxes paid in cash totaled $33.1 million and $28.8 million for the nine months ended September 30, 1999 and September 30, 1998, respectively. In connection with the sale of Rockware described in Note 6, the Company received notes of approximately $135 million.

5. Comprehensive Income

The Company's components of comprehensive income are net earnings and foreign currency translation adjustments. Total comprehensive income for the three month periods ended September 30, 1999 and 1998 amounted to $62.5 million and $116.9 million, respectively. Total comprehensive income for the nine month periods ended September 30, 1999 and 1998 amounted to $118.1 million and $251.3 million, respectively.

6. Acquisition of Worldwide Packaging Businesses of BTR plc and Net Assets Held for Sale

On April 30, 1998, the Company completed the acquisition of the worldwide glass and plastics packaging businesses of BTR plc ("BTR Packaging") in an all cash transaction valued at approximately $3.6 billion (the "Acquisition"). The Acquisition is being accounted for under the purchase method of accounting. The total purchase cost of approximately $3.6 billion will be allocated to the tangible and identifiable intangible assets and liabilities based upon their respective fair values. Such allocations will be based upon valuations which have not been finalized. Accordingly, the allocation of the purchase consideration included in the accompanying Condensed Consolidated Balance Sheets is preliminary.

In connection with the Acquisition, the Company committed to sell BTR's United Kingdom glass container manufacturer ("Rockware") obtained in the transaction. Early in the second quarter of 1999, the Company completed the sale of Rockware to a subsidiary of Ardagh plc, the Irish glass container manufacturer based in Dublin, Ireland, for total consideration of 240 million pounds sterling (approximately $390 million). The accompanying Condensed Consolidated Results of Operations exclude Rockware and related financing costs. The carrying value was based upon estimated future cash flows associated with the assets. Proceeds from the sale of Rockware were used for the reduction of debt and for general corporate purposes.

7. Pro Forma Information - Acquisition of BTR Packaging

Had the acquisition of BTR Packaging described in Note 6 and the related financing occurred on January 1, 1998, unaudited pro forma consolidated net sales, net earnings, and net earnings per share of common stock would have been as follows:

	Nine Months ended September 30, 1998			
	As Reported	BTR Packaging Adjusted	Financing Adjustments	Pro Forma As Adjusted
Net Sales	$3,937.1	$384.1		$4,321.2
Net Earnings	$309.0	$31.9	$(33.2)	$307.7
Basic net earnings per share of common stock	$2.03			$1.87
Basic weighted average shares outstanding (thousands)	148,135			155,242
Diluted net earnings per share of common stock	$2.00			$1.86
Diluted weighted average shares (thousands)	154,046			157,000

Shares of common stock issuable upon conversion of the Convertible preferred stock in the pro forma period were not included in the computation of pro forma diluted earnings per share because the effect would have been antidilutive.

The pro forma data does not purport to represent what the results of operations would actually have been if the Acquisition and the related financing had in fact occurred on the date indicated, or to project results of operations for any future period.

8. Extraordinary Charges from Early Extinguishment of Debt

During the second quarter of 1998, the Company used proceeds from the May 1998 sale of shares of common stock, convertible preferred stock, and the issuance of debt for the early retirement of debt incurred in connection with the Acquisition. As a result, the Company recorded extraordinary charges for the write-off of unamortized deferred finance fees totaling $22.8 million, net of applicable income taxes of $8.7 million.

9. Contingencies

The Company is one of a number of defendants (typically 10 to 20) in a substantial number of lawsuits filed in numerous state and federal courts by persons alleging bodily injury (including death) as a result of exposure to dust from asbestos fibers. From 1948 to 1958, one of the Company's former business units commercially produced and sold approximately $40 million of a high-temperature, clay-based insulating material containing asbestos. The Company exited the insulation business in April 1958. The traditional asbestos personal injury lawsuits and claims relating to such production and sale of asbestos material typically allege various theories of liability, including negligence, gross negligence and strict liability and seek compensatory and punitive damages in various amounts (herein referred to as "asbestos claims"). As of September 30, 1999, the Company estimates that it is a named defendant in asbestos claims involving approximately 18,000 plaintiffs and claimants.

The Company is also a defendant in other asbestos-related lawsuits or claims involving maritime workers, medical monitoring claimants, co-defendants and property damage claimants. Based on its past experience, the Company believes that the foregoing categories of claims will not involve any material liability and they are not included in the above description of pending claims.

In 1984, the Company initiated litigation in New Jersey against the Company's insurers, including its wholly-owned captive insurer Owens Insurance Limited ("OIL"), and certain other parties for the years 1977 through 1985 in which the Company sought damages and a declaration of coverage for both asbestos bodily injury and property damage claims under insurance policies in effect during those years (Owens-Illinois, Inc. v. United Insurance Co., et al, Superior Court of New Jersey, Middlesex County, November 30, 1984). Beginning in December 1994 and continuing intermittently for approximately one year thereafter, the Company entered into settlements for approximately $240 million of its coverage claim against OIL to the extent of reinsurance provided to OIL by the settling reinsurance companies. Following such settlements, a settlement agreement (the "OIL Settlement") was reached with OIL. The OIL Settlement called for the payment of remaining non-settled reinsurance at 78.5% of applicable reinsurance limits, increasing to 81% on approximately March 1, 1996 and accruing interest thereafter at 10% per annum. In December 1995, the presiding judge in the United Insurance case entered a Consent Judgment approving the OIL Settlement, and specifically finding that it was a good faith settlement which was fair and reasonable as to OIL and all of OIL's non-settling reinsurers.

In November 1995, a reinsurer of OIL during the years affected by the United Insurance case brought a separate suit against OIL seeking a declaratory judgment that it had no reinsurance obligation to OIL (Employer's Mutual v. Owens-Insurance Limited, Superior Court of New Jersey, Morris County, December 1995). The Company was not a named party to this cause of action but was subsequently joined in it as a necessary party defendant.

Subsequent to the entry of the Consent Judgment Order in the United Insurance case described above, OIL gave notice of the OIL Settlement to all non-settling reinsurers affected by the United Insurance case, informing all such reinsurers of the terms of the OIL Settlement and demanding timely payment from such reinsurers pursuant to such terms. Since the date of the OIL Settlement, 27 previously non-settling reinsurers have made the payments called for under the OIL Settlement or otherwise settled their obligations thereunder. Other non-settling solvent reinsurers, all of which are parties to the Employers Mutual case described above, have not, however, made the payments called for under the OIL Settlement.

As a result of payments and commitments that have been made by reinsurers pursuant to the OIL Settlement and the earlier settlement agreements described above in the United Insurance case and certain other available insurance, the Company has to date confirmed coverage for its asbestos-related costs of approximately $317.2 million. Of the total amount confirmed to date, $300.5 million had been received through September 30, 1999; and the balance of approximately $16.7 million will be received throughout 1999 and the next several years. The remainder of the insurance asset of approximately $192.8 million relates principally to the reinsurers who have not yet paid, and continue to contest, their reinsurance obligations under the OIL Settlement.

The Company believes, based on the rulings of the trial court, the Appellate Division and the New Jersey Supreme Court in the United Insurance case, as well as its understanding of the facts and legal precedents and based on advice of counsel, McCarter & English L.L.P., that it is probable substantial additional payments will be received to cover the Company's asbestos-related claim losses.

The Company believes that its ultimate asbestos-related contingent liability (i.e., its indemnity or other claim disposition costs plus related litigation expenses) is difficult to estimate with certainty. However, in 1993, the Company established a liability of $975 million to cover what it then estimated would be the total indemnity payments and legal fees associated with the resolution of then outstanding and all expected future asbestos lawsuits and claims. As part of its continual monitoring of asbestos-related matters, the Company in 1998 conducted a comprehensive review to determine if adjustments of asbestos-related assets or liabilities were appropriate. As a result of that review, the Company established an additional liability of $250 million to cover what it now estimates will be the total indemnity payments and legal fees associated with the resolution of outstanding asbestos personal injury lawsuits and claims and asbestos personal injury lawsuits and claims filed during the succeeding five years, after which any remaining liability is not expected to be material in relation to the Company's Consolidated Financial Statements.

Based on all the factors and matters relating to the Company's asbestos-related litigation and claims, the Company presently believes that its asbestos-related costs and liabilities will not exceed by a material amount the sum of the available insurance reimbursement the Company believes it has and will have principally as a result of the United Insurance case, and the

OIL Settlement, as described above, and the amount of the charges for asbestos-related costs previously recorded.

Other litigation is pending against the Company, in many cases involving ordinary and routine claims incidental to the business of the Company and in others presenting allegations that are nonroutine and involve compensatory, punitive or treble damage claims as well as other types of relief. The ultimate legal and financial liability of the Company in respect to the lawsuits and proceedings referred to above, in addition to other pending litigation, cannot be estimated with certainty. However, the Company believes, based on its examination and review of such matters and experience to date, that such ultimate liability will not be material in relation to the Company's Consolidated Financial Statements.

10. Segment Information

The Company operates in the rigid packaging industry. The Company has two reportable product segments within the rigid packaging industry: (1) Glass Containers and (2) Plastics Packaging. The Plastics Packaging segment consists of three business units -- plastic containers, closure and specialty products, and prescription products. The Other segment consists primarily of the Company's labels and carriers products business unit.

The Company evaluates performance and allocates resources based on earnings before interest income, interest expense, provision for income taxes, minority share owners' interests in earnings of subsidiaries, extraordinary charges, (collectively "EBIT") and unusual items. EBIT for product segments includes an allocation of corporate expenses based on both a percentage of sales and direct billings based on the costs of specific services provided.

Financial information for the three month periods ended September 30, 1999 and 1998 regarding the Company's product segments is as follows:

	Glass Containers	Plastics Packaging	Other	Total Product Segments	Eliminations and Other Retained	Consolidated Totals
Net sales:						
Sept. 30, 1999	$ 982.5	$425.7	$18.0	$1,426.2		$1,426.2
Sept. 30, 1998	1,026.2	408.1	19.3	1,453.6		1,453.6
EBIT, excluding unusual items:						
Sept. 30, 1999	$ 156.0	$ 67.3	$ 1.1	$ 224.4	$4.7	$ 229.1
Sept. 30, 1998	198.7	72.5	2.7	273.9	.6	274.5
Unusual items:						
Sept. 30, 1998:						
Loss on sale of discontinued operation by equity investee	$ (5.7)			$ (5.7)		$ (5.7)
Reduction of previously established reserves					$7.6	7.6

The reconciliation of EBIT to consolidated totals for the three month periods ended September 30, 1999 and 1998 is as follows:

	Sept. 30, 1999	Sept. 30, 1998
EBIT:		
EBIT, excluding unusual items for reportable segments	$224.4	$273.9
Unusual items excluded from reportable segment information		(5.7)
Eliminations and other retained, excluding unusual items	4.7	.6
Unusual items excluded from eliminations and other retained		7.6
Net interest expense	(99.4)	(95.9)
Earnings before income taxes and minority share owners' interests in earnings of subsidiaries	$129.7	$180.5

Financial information for the nine month periods ended September 30, 1999 and 1998 regarding the Company's product segments is as follows:

	Glass Containers	Plastics Packaging	Other	Total Product Segments	Eliminations and Other Retained	Consolidated Totals
Net sales:						
Sept. 30, 1999	$2,817.8	$1,282.3	$56.2	$4,156.3		$4,156.3
Sept. 30, 1998	2,815.3	1,055.9	65.9	3,937.1		3,937.1
EBIT, excluding unusual items:						
Sept. 30, 1999	$ 467.8	$ 233.4	$ 4.8	$ 706.0	$6.3	$ 712.3
Sept. 30, 1998	515.8	193.3	10.8	719.9	3.8	723.7
Unusual items:						
Sept. 30, 1999:						
Gains related to the sales of two manufacturing facilities	$ 40.8			$ 40.8		$ 40.8
Charges related principally to restructuring costs and write-offs of certain assets in Europe and South America	(20.8)			(20.8)		(20.8)
Sept. 30, 1998:						
Gain on termination of license agreement			$18.5	18.5		18.5
Charges for restructuring costs at certain international affiliates	(7.8)			(7.8)		(7.8)
Loss on sale of discontinued operation by equity investee	(5.7)			(5.7)		(5.7)
Settlement of certain environmental litigation					$(8.5)	(8.5)

Reduction of previously established reserves	7.6	7.6

The reconciliation of EBIT to consolidated totals for the nine month periods ended September 30, 1999 and 1998 is as follows:

	Sept. 30, 1999	Sept. 30, 1998
EBIT:		
EBIT, excluding unusual items for reportable segments	$706.0	$719.9
Unusual items excluded from reportable segment information	20.0	5.0
Eliminations and other retained, excluding unusual items	6.3	3.8
Unusual items excluded from eliminations and other retained		(.9)
Net interest expense	(294.9)	(245.7)
Earnings before income taxes, minority share owners' interests in earnings of subsidiaries, and extraordinary items	$437.4	$482.1

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Results of Operations - Third Quarter 1999 compared with Third Quarter 1998

The Company recorded net earnings of $77.5 million for the third quarter of 1999 compared to $113.6 million for the third quarter of 1998, a decrease of $36.1 million, or 31.8%. Excluding the effects of the 1998 unusual items discussed below, the Company's third quarter 1999 net earnings of $77.5 million decreased $34.9 million, or 31.0%, from 1998 third quarter net earnings of $112.4 million. Consolidated EBIT for the third quarter of 1999 was $229.1 million, a decrease of $45.4 million, or 16.5%, compared to third quarter of 1998 EBIT of $274.5 million, excluding 1998 unusual items. The decrease is primarily attributable to lower EBIT for the Glass Containers segment.

Capsule segment results (in millions of dollars) for the third quarter of 1999 and 1998 were as follows:

	Net sales (Unaffiliated customers)		EBIT (a)	
	1999	1998	1999	1998 (b)
Glass Containers	$ 982.5	$1,026.2	$ 156.0	$ 193.0
Plastics Packaging	425.7	408.1	67.3	72.5
Other	18.0	19.3	1.1	2.7
Segment totals	1,426.2	1,453.6	224.4	268.2
Eliminations and other retained costs			4.7	8.2
Consolidated totals	$1,426.2	$1,453.6	$ 229.1	$ 276.4

(a) EBIT consists of consolidated earnings before interest income, interest expense, provision for income taxes and minority share owners' interests in earnings of subsidiaries.

(b) EBIT for 1998 includes: (1) a loss of $5.7 million on the sale of a discontinued operation by an equity investee, and (2) a benefit of $7.6 million from the reduction of previously established reserves for guarantees of certain obligations of a business divested several years ago. These items increased (decreased) EBIT as follows: Glass Containers, $(5.7) million; and Eliminations and other retained costs, $7.6 million.

Consolidated net sales for the third quarter of 1999 decreased $27.4 million, or 1.9%, from the prior year. Net sales of the Glass Containers segment decreased $43.7 million, or 4.3%, from 1998. The combined U.S. dollar sales of the segment's foreign affiliates decreased over the prior year. Quarter over quarter increases in U.S. dollar sales of the Asia Pacific glass container businesses were more than offset by weak economic conditions in markets

served by the Company's operations in Latin America and Europe. The effect of foreign currency movements reduced the third quarter 1999 U.S. dollar sales of the segment's foreign affiliates by approximately $20 million in comparison to third quarter 1998. Domestically, sales from increased shipments of containers for beer, juice and tea partially offset lower shipments of certain food, liquor, drug, and chemical containers, and the adverse year to year comparative effects resulting from the April 1, 1999 sale of a specialized glass manufacturing facility. Net sales of the Plastics Packaging segment increased $17.6 million, or 4.3%, over 1998, reflecting increased unit shipments of containers for automotive, food, health care, and personal care end uses; closures and trigger pumps; and prescription containers.

Excluding the effect of the 1998 unusual item, segment EBIT for 1999 decreased $49.5 million, or 18.1%, to $224.4 million from 1998 segment EBIT of $273.9 million. EBIT of the Glass Containers segment, excluding the 1998 unusual item, decreased $42.7 million to $156.0 million, compared to $198.7 million in 1998. The majority of this decrease is attributable to soft market conditions for most of the affiliates located in Europe and Latin America. The adverse economic conditions in Latin America and Eastern Europe and the weaker than normal conditions in other parts of Europe are continuing into the fourth quarter. As a result, fourth quarter 1999 operating results of the Company's affiliates located in these geographic areas may be below those reported in the same 1998 period. The EBIT of the Plastics Packaging segment decreased $5.2 million, or 7.2%, compared to 1998. Increased shipments in all business units were offset principally by changes in product mix.

The third quarter of 1998 results include the following unusual items: (1) a loss of $5.7 million ($3.5 million aftertax) on the sale of a discontinued operation by an equity investee; and (2) a benefit of $7.6 million ($4.7 million aftertax) from the reduction of previously established reserves for guarantees of certain obligations of a business divested several years ago.

First Nine Months 1999 compared with First Nine Months 1998

For the first nine months of 1999, the Company recorded earnings before extraordinary items of $257.7 million compared to $309.0 million for the first nine months of 1998. Excluding the effects of unusual items for both 1999 and 1998, the Company's first nine months of 1999 earnings before extraordinary items of $248.1 million decreased $43.3 million, or 14.9%, from 1998 first nine months earnings before extraordinary items of $291.4 million. The first nine months of 1999 and 1998 includes amounts relating to the April 30, 1998 acquisition of the worldwide glass and plastics packaging businesses of BTR plc. Consolidated EBIT, excluding both the 1999 and 1998 unusual items, was $712.3 million for the first nine months of 1999, a decrease of $11.4 million, or 1.6%, compared to $723.7 million for the same 1998 period. The decrease is attributable to lower EBIT for the Glass Containers segment. Interest expense, net of interest income, increased $49.2 million from the 1998 period due principally to the financings related to the acquisition of the BTR glass and plastics packaging businesses. The decrease in minority share owners' interests in earnings of subsidiaries resulted from lower net earnings of certain foreign affiliates, principally the affiliate located in Colombia. Exclusive of unusual items, the Company's estimated effective tax rate for the

first nine months of 1999 was 37.9%. This compares with an estimated rate of 35.1% for the first nine months of 1998 and the actual rate of 37.3% for the full year 1998, excluding the effects of the adjustment to Italy's net deferred income tax liabilities discussed below and other unusual items. Increased non-deductible goodwill amortization resulting from the acquisition of the former BTR packaging businesses is the primary reason for the 1999 increase. Net earnings of $294.9 million for the first nine months of 1998 reflect $14.1 million of extraordinary charges from the early extinguishment of debt.

Capsule segment results (in millions of dollars) for the first nine months of 1999 and 1998 were as follows:

	Net sales (Unaffiliated customers)		EBIT (a)	
	1999	1998	1999	1998 (c)
Glass Containers	$2,817.8	$2,815.3	$ 487.8(b)	$ 502.3
Plastics Packaging	1,282.3	1,055.9	233.4	193.3
Other	56.2	65.9	4.8	29.3
Segment totals	4,156.3	3,937.1	726.0	724.9
Eliminations and other retained costs			6.3	2.9
Consolidated totals	$4,156.3	$3,937.1	$ 732.3	$ 727.8

(a) EBIT consists of consolidated earnings before interest income, interest expense, provision for income taxes, minority share owners' interests in earnings of subsidiaries, and extraordinary items.

(b) EBIT for 1999 includes: (1) gains totaling $40.8 million related to the sales of a U.S. glass container plant and a mold manufacturing business in Colombia, and (2) charges totaling $20.8 million related principally to restructuring costs and write-offs of certain assets in Europe and South America. These items were recorded in the second quarter of 1999.

(c) EBIT for 1998 includes: (1) a gain of $18.5 million related to the termination of a licensing agreement, net of charges for related equipment write-offs and capacity adjustments, (2) charges totaling $16.3 million for the settlement of certain environmental ligitation and severance costs at certain international affiliates, (3) a loss of $5.7 million on the sale of a discontinued operation by an equity investee, and (4) a benefit of $7.6 million from the reduction of previously established reserves for guarantees of certain obligations of a business divested several years ago. These items increased (decreased) EBIT as follows: Glass Containers, $(13.5) million; Other, $18.5 million; and Eliminations and other retained costs, ($0.9) million.

Consolidated net sales for the first nine months of 1999 increased $219.2 million, or 5.6%, over the prior year. Net sales of the Glass Containers segment increased $2.5 million over 1998. The combined U.S. dollar sales of the segment's foreign affiliates increased over the prior year, reflecting the Asia Pacific glass container businesses acquired from BTR on April 30, 1998 (an increase of approximately $210 million from first nine months 1998 to first nine months 1999). This increase was partially offset by weak economic conditions in markets served by the Company's operations in Latin America and Europe. The effect of foreign currency movements reduced the first nine months of 1999 U.S. dollar sales of the segment's foreign affiliates by approximately $85 million in comparison to the first nine months of 1998. Domestically, increased glass container unit shipments of containers for the beer industry partially offset the adverse year to year comparative effects of the April 1, 1999 sale of a specialized glass manufacturing facility and lower shipments of food containers. Net sales of the Plastics Packaging segment increased $226.4 million, or 21.4%, over 1998, reflecting the plastics businesses acquired on April 30, 1998 from BTR (an increase of approximately $190 million from first nine months 1998 to first nine months 1999), and increased unit shipments from all business units.

Segment EBIT for the first nine months of 1999, excluding the 1999 and 1998 unusual items, decreased $13.9 million, or 1.9%, to $706.0 million from first nine months 1998 segment EBIT of $719.9 million. EBIT of the Glass Containers segment, excluding the 1999 and 1998 unusual items, decreased $48.0 million to $467.8 million, compared to $515.8 million in the first nine months of 1998. EBIT of the Asia Pacific glass container businesses acquired from BTR on April 30, 1998 increased approximately $40 million from first nine months of 1998 to first nine months of 1999. The contributions of the acquired businesses were more than offset by soft market conditions for most of the affiliates located in Europe and Latin America. The adverse economic conditions in Latin America and Eastern Europe and the weaker than normal conditions in other parts of Europe are continuing into the fourth quarter. The EBIT of the Plastics Packaging segment increased $40.1 million, or 20.7%, compared to the first nine months of 1998. Contributing to this increase were the plastics businesses acquired on April 30, 1998 from BTR (an increase of approximately $25 million from first nine months 1998 to first nine months 1999), increased shipments of containers for health care and personal care products, closures and trigger pumps, and strong demand for prescription packaging, including the new 1-Clic(TM) prescription vial. The Other segment EBIT comparison to prior year, excluding the 1998 unusual item, was adversely affected by the end of the first quarter 1998 termination of a license agreement under which the Company had produced plastic multipack carriers for beverage cans, and lower shipments of labels.

The first nine months of 1999 results include the following unusual items: (1) gains totaling $40.8 million ($23.6 million after tax and minority share owners' interests) related to the sales of a U.S. glass container plant and a mold manufacturing business in Colombia; and (2) charges totaling $20.8 million ($14.0 million after tax and minority share owners' interests) related principally to restructuring costs and write-offs of certain assets in Europe and South America.

The first nine months of 1998 results include the following unusual items: (1) a tax benefit of $15.1 million to adjust net deferred income tax liabilities as a result of a reduction in Italy's statutory income tax rate; (2) a gain of $18.5 million ($11.4 million aftertax) related to the termination of a license agreement, net of charges for related equipment write-offs and capacity adjustments, under which the Company had produced plastic multipack carriers for beverage cans; (3) charges of $16.3 million ($10.1 million aftertax) for the settlement of certain environmental litigation and severance costs at certain international affiliates; and (4) a net benefit of $1.9 million ($1.2 million aftertax) of third quarter items previously described .

Capital Resources and Liquidity

The Company's total debt at September 30, 1999 was $5.75 billion, compared to $5.92 billion at December 31, 1998 and $5.83 billion at June 30, 1998.

At September 30, 1999, the Company had available credit totaling $4.5 billion under its agreement with a group of banks ("Bank Credit Agreement") expiring in December 2001, of which $828.4 million had not been utilized. At December 31, 1998, the Company had $731.0 million of credit which had not been utilized under the Bank Credit Agreement. Cash provided by operating activities was $335.7 million for the first nine months of 1999 compared to $411.7 million for the first nine months of 1998.

The Company anticipates that cash flow from its operations and from utilization of credit available through December 2001 under the Bank Credit Agreement will be sufficient to fund its operating and seasonal working capital needs, debt service and other obligations. The Company faces additional demands upon its liquidity for asbestos-related payments. Based on the Company's expectations regarding favorable trends which should lower its aggregate payments for lawsuits and claims and its expectation of the collection of its insurance coverage and reimbursement for such lawsuits and claims, and also based on the Company's expected operating cash flow, the Company believes that the payment of any deferred amounts of previously settled or otherwise determined lawsuits and claims, and the resolution of presently pending and anticipated future lawsuits and claims associated with asbestos, will not have a material adverse effect upon the Company's liquidity on a short-term or long-term basis.

In May 1999, the Company announced that its Board of Directors authorized management to repurchase up to 10 million shares of the Company's common stock. During the third quarter of 1999, the Company purchased 3,764,900 shares of its common stock pursuant to its repurchase plan for $84.9 million. Board authorization remains for the purchase of an additional 6,235,100 shares. The Company intends to continue to purchase its common stock from time to time on the open market depending on market conditions and other considerations. The Company believes that cash flows from its operations and from utilization of credit available under the Bank Credit Agreement will be sufficient to fund such purchases in addition to the obligations mentioned in the previous paragraph.

Year 2000

General
- -------

The Year 2000 issue is the result of computer programs being written using two digits rather than four to define the applicable year. Any of the Company's computer programs or hardware that have date-sensitive software or embedded chips may recognize a date using "00" as the year 1900 rather than the year 2000. This could result in a system failure or miscalculations causing disruptions of operations or a temporary inability to engage in normal business activities. The Company uses a significant number of computer software programs and operating systems across its entire organization, including applications used in financial business systems, manufacturing, and various administrative functions. To the extent that the Company's software applications contain source code that is unable to appropriately interpret the upcoming calendar year 2000 and beyond, modification, replacement, or retirement of such applications will be necessary. The Company has determined that it will be required to modify or replace portions of its software and hardware so that the affected systems will properly utilize dates beyond December 31, 1999.

Project
- -------

The Company has undertaken a Year 2000 Project (the "Project") to identify and mitigate Year 2000 compliance issues in its critical information technology ("IT") and non-IT systems. Such systems include manufacturing information systems, process control and embedded systems, business applications, and information technology infrastructure. The general phases of the Project are: (1) inventorying/identification of Year 2000 items and issues; (2) assessment and solution definition; (3) remediation/conversion of Year 2000 items and issues identified; (4) acceptance testing; and (5) implementation. The results of the assessment and solution definition phase indicated that certain of the Company's significant systems are not Year 2000 compliant. The results have also indicated that certain software and hardware (embedded chips) used in building and machine maintenance, production, and manufacturing systems also are at risk.

The Company has completed the inventorying/identification and the assessment and solution definition phases of the Project. Activities involving the phases of remediation/conversion and acceptance testing are nearing completion, while the implementation phase is ongoing and will continue into the fourth quarter of calendar year 1999. The Company's critical IT and non-IT systems which are necessary to transact business with vendors and customers are Year 2000 compliant. Other critical IT and non-IT systems which are used in certain of the Company's internal processes are expected to be Year 2000 compliant by December 31, 1999.

The Company relies on numerous third-party vendors and suppliers for a wide variety of goods and services, including raw materials, transportation, and utilities such as electricity and natural gas. The Project includes identifying and prioritizing critical suppliers and customers and communicating with them about their plans and progress in addressing Year 2000 compliance issues.

Information requests have been distributed and replies are being evaluated. The replies received to date indicate that most suppliers, vendors and customers will not provide any assurance that they will be Year 2000 compliant. The Company cannot be certain when or if suppliers and customers will be Year 2000 compliant. Although it is not presently expected, the inability of customers and suppliers to complete their Year 2000 compliance efforts in a timely fashion could materially impact the Company.

Costs

The Company is utilizing both internal and external resources to reprogram or replace, test, and implement the software and equipment for Year 2000 modifications. The total cost associated with the Project, including certain previously scheduled replacements of software and equipment which have been accelerated due to Year 2000 issues, is estimated to be approximately $75 million and is being funded through operating cash flows. The majority of these costs are attributable to the purchase of new software and operating equipment, and will therefore, be capitalized. To date, the Company has incurred approximately $65 million related to all phases of the Project.

Risks

The Project undertaken by the Company is expected to significantly reduce the Company's level of uncertainty about Year 2000 compliance issues. As previously noted, the Company has not yet completed all necessary phases of the Project. The failure to correct a Year 2000 compliance issue could result in an interruption in, or a failure of, certain normal business activities or operations. Although it is not presently expected, such failures could materially and adversely affect the Company's results of operations, liquidity, and financial condition. Due to the general uncertainty inherent in Year 2000 compliance issues, resulting in part from the uncertainty of Year 2000 readiness of third-party suppliers and customers, the Company is unable to determine at this time the consequences of Year 2000 failures on the Company's results of operations, liquidity, or financial condition.

Contingency Plans

The Company is developing contingency plans for certain of its applications. Those contingency plans involve, among other actions, manual workarounds, increasing inventories, adjusting staffing strategies, and planned shutdowns of non-critical equipment prior to January 1, 2000. Actions related to the development of contingency plans have not been completed as the necessity of such contingency plans depend upon the progress of Year 2000 compliance efforts.

The foregoing statements as to costs and dates relating to the Project are forward looking and are made in reliance on the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. They are based on the Company's best estimates which may be updated as additional information becomes available. The Company's forward looking statements are also based on assumptions about many important factors, including the availability of certain resources, the technical skills of employees and independent contractors, the representations and preparedness of third parties, the ability of vendors and suppliers to deliver goods or perform services required by the Company and the collateral effects of Year 2000 compliance issues on the Company's business partners and customers. While the Company believes its assumptions are reasonable, it cautions that it is impossible to predict the impact of certain factors that could cause actual costs or timetables to differ materially from the expected results. No assurance can be given that these estimates will be achieved, or that there will not be a delay in, or increased costs associated with, the Project.

Introduction of Euro Currency

On January 1, 1999, a new currency called the "euro" was introduced in eleven of the fifteen Economic and Monetary Union ("EMU") countries. The Company has affiliates located in the following countries which participated in the euro introduction: Finland, Italy, the Netherlands, and Spain. In addition, the Company transacts business in other countries in which the euro has been introduced. The Company has initiated an assessment of the potential impact that the euro introduction will have on its information systems, financial reporting, banking facilities, purchases and the sale of its products. Based upon the assessment to date, the Company does not believe the conversion to the euro and the cost of implementing required system changes will be material to the Company's consolidated financial statements.

Item 3. Quantitative and Qualitative Disclosure About Market Risk.

The Bank Credit Agreement provides, among other things, a $1.75 billion offshore revolving loan facility which is available to certain of the Company's foreign subsidiaries and denominated in certain foreign currencies. For further information about the facility and related foreign currency loan amounts outstanding, see Note 3 to the financial statements.

Cautionary Statement Concerning Forward-Looking Statements.

Management's Discussion and Analysis of Financial Condition and Results of Operations may contain forward looking statements that involve risks and uncertainties that could cause actual results to differ materially from those projected. Forward looking statements are necessarily projections which are subject to change upon the occurrence of events that may affect the business. In addition, acquisitions involve a number of risks that can cause actual results to be materially different from expected results.

PART II -- OTHER INFORMATION

Item 1. Legal Proceedings.

(a) Contingencies. Note 9 to the Condensed Consolidated Financial Statements, "Contingencies," that is included in Part I of this Report, is incorporated herein by reference.

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits:

Eshibit 12	Computation of Ratio of Earnings to Fixed Charges and Earnings to Combined Fixed Charges and Preferred Stock Dividends.
Exhibit 23	Consent of McCarter & English, LLP.
Exhibit 27	Financial Data Schedule.

(b) Reports on Form 8-K:

No reports on Form 8-K were filed by the Registrant during the third quarter of 1999.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

OWENS-ILLINOIS, INC.

Date November 12, 1999 By /s/ David G. Van Hooser

David G. Van Hooser, Senior Vice President and Chief Financial Officer (Principal Financial Officer)

INDEX TO EXHIBITS

Exhibits	
12	Computation of Ratio of Earnings to Fixed Charges and Earnings to Combined Fixed Charges and Preferred Stock Dividends
23	Consent of McCarter & English, LLP
27	Financial Data Schedule

Exhibit 12

OWENS-ILLINOIS, INC.
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES AND EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS
(Millions of dollars, except ratios)

	Nine Months ended September 30,		
	1999	1998	Pro Forma As Adjusted For BTR Packaging Acquisition 1998
Earnings before income taxes, and minority share owners' interests .	$437.4	$482.1	$529.3
Less: Equity earnings	(15.6)	(10.6)	(11.5)
Add: Total fixed charges deducted from earnings	335.8	287.5	342.9
Proportional share of pre-tax earnings (loss) of 50% owned associates.	7.6	6.1	7.4
Dividends received from less than 50% owned associates .	7.2	4.1	4.1
Earnings available for payment of fixed charges.	$772.4	$769.2	$872.2
Fixed charges (including the Company's proportional share of 50% owned associates):			
Interest expense.	$308.4	$262.6	$312.9
Portion of operating lease rental deemed to be interest . . .	20.7	19.6	21.3
Amortization of deferred financing costs and debt discount expense.	6.7	5.3	8.7
Total fixed charges deducted from earnings and fixed charges.	335.8	287.5	342.9
Preferred stock dividends (increased to assumed pre-tax amount).	27.2	13.0	25.3
Combined fixed charges and preferred stock dividends.	$363.0	$300.5	$368.2
Ratio of earnings to fixed charges .	2.3	2.7	2.5
Ratio of earnings to combined fixed charges and preferred stock dividends.	2.1	2.6	2.4

EXHIBIT 23

CONSENT OF MCCARTER & ENGLISH, LLP

November 12, 1999

Ladies and Gentlemen:

We consent to the incorporation by reference in this Quarterly Report on Form 10-Q of Owens-Illinois, Inc. for the quarter ended September 30, 1999, of the reference to our firm under the caption "Legal Proceedings."

Very truly yours,

/s/McCarter & English, LLP

McCarter & English, LLP

This schedule contains summary financial information extracted from the
September 30, 1999 condensed consolidated balance sheet, and the condensed
consolidated results of operations for the nine-month period then ended
and is qualified in its entirety by reference to such financial statements.

9-MOS
DEC-31-1999
SEP-30-1999
234,800,000
0
918,700,000
52,800,000
851,600,000
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167,600,000
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0
257,700,000
1.55
1.54