

SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

Form 8-K

CURRENT REPORT

Pursuant to Section 13 of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) April 30, 1998

Owens-Illinois, Inc.

(Exact name of registrant as specified in its charter)

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

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

Registrants' telephone number, including area code:	419-247-5000
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Item 2. Acquisition or Disposition of Assets.

On April 30, 1998, Owens-Illinois, Inc. (the "Company") completed the previously announced acquisition of the worldwide glass and plastics packaging businesses of BTR plc. The businesses acquired from BTR include ACI Glass Packaging, which has been one of the Company's technical assistance licensees for over 30 years, and Continental PET Technologies, a leading supplier of polyethylene terephthalate hot fill food and drink containers. The Company acquired these businesses by purchasing the stock of several BTR subsidiaries and by repaying or assuming indebtedness of certain of the subsidiaries pursuant to the Share Disposition Agreement dated March 1, 1998, among BTR plc, Owens-Illinois, Inc. and the Other Parties Named Therein. A copy of the Company's April 30, 1998, press release announcing the completion of the acquisition is filed herewith as Exhibit 99.1 and is incorporated herein by reference.

The total purchase price of approximately \$3.6 billion cash was determined through arm's length negotiations between BTR and the Company. The Share Disposition Agreement was filed as an exhibit to the Company's Current Report on Form 8-K dated April 16, 1998, and is incorporated herein by reference. Financing for the acquisition was provided by borrowings under the Company's Second Amended and Restated Credit Agreement entered into on April 30, 1998. Lenders under the Agreement include four Agent Banks (Bankers Trust Company, Bank of America National Trust and Savings Association, The Bank of Nova Scotia and NationsBank, N.A.) and 64 other banks.

Item 7. Financial Statements and Exhibits.

*(a) Financial statements of business acquired.

Audited combined financial statements of BTR Packaging (as defined in Note 1 to the financial statements) for the years ended December 31, 1995, 1996 and 1997.

- Report of Independent Auditors - Ernst & Young
- Combined Profit and Loss Statements
- Combined Balance Sheets
- Combined Statements of Cash Flows
- Notes to and Forming Part of the Combined Financial Statements

*(b) Unaudited pro forma financial information.

- Pro Forma Condensed Consolidated Balance Sheet at December 31, 1997
- Pro Forma Condensed Consolidated Statement of Results of Operations for the year ended December 31, 1997
- Notes to Pro Forma Condensed Consolidated Financial Statements

(c) Exhibits.

- * 2.1 - Share Disposition Agreement dated as of 1 March 1998.
- 99.1 - Owens-Illinois, Inc. press release dated April 30, 1998.

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- * - Previously filed under the Company's Current Report on Form 8-K dated April 16, 1998.

SIGNATURES

Pursuant to the requirements of the Securities 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.

By /s/ Lee A. Wesselmann

Lee A. Wesselmann
Senior Vice President and
Chief Financial Officer
(Principal Financial Officer)

Dated: May 5, 1998

EXHIBIT INDEX

Exhibit
Number

Exhibit

99.1

Owens-Illinois press release dated
April 30, 1998

OWENS-ILLINOIS COMPLETES ACQUISITION OF BTR PACKAGING

Toledo, Ohio, April 30, 1998 -- Owens-Illinois, Inc., (NYSE: OI) announced that it completed today its \$3.6 billion acquisition of the worldwide glass and plastics packaging businesses of BTR plc.

Joseph H. Lemieux, Owens-Illinois chairman and chief executive officer, said, "This is a major step in our strategy to expand our global glass and plastics packaging businesses, maintain our leadership in technology, and continue supporting the global growth strategies of our major customers."

The businesses acquired from BTR consist of ACI Glass Packaging, the only glass container manufacturer in Australia and New Zealand, with additional operations in China and Indonesia, and Continental PET Technologies (CPT), a leading supplier of polyethylene terephthalate (PET) hot fill food and drink containers, based in the United States with additional operations in eight foreign countries.

As announced previously, Owens-Illinois has committed to sell BTR's glass container operations in the United Kingdom, as required by the Commission of the European Communities. Pending such sale, the management and operation of that business will be maintained separately from other Owens-Illinois operations.

Excluding the glass container operations in the United Kingdom, the glass and plastics packaging operations acquired from BTR include 43 manufacturing facilities in 11 countries, with 1997 sales of approximately US\$1.2 billion. Including these new operations, Owens-Illinois now has 144 manufacturing facilities in 24 countries with 1997 pro forma sales of approximately \$5.9 billion. In 1997, O-I reported net sales of \$4.7 billion.

Mr. Lemieux said, "We are pleased to welcome ACI and CPT as the newest members of the Owens-Illinois family. Both have cultures that are very similar to ours, with strong emphasis on quality and service, leadership in technology, and cost control. In addition to being very well managed businesses in their own right, each provides an excellent strategic fit with our existing operations. ACI has excellent operations in established markets and provides a base from which to pursue growth opportunities in the Asia Pacific region. CPT complements our already strong plastics packaging capabilities and will enhance our position as a leading producer of plastics packaging."

Owens-Illinois is now the largest manufacturer of glass containers in North America, South America, Australia, New Zealand, and India, and the second-largest in Europe. O-I also is a worldwide manufacturer of plastics packaging with operations in North America, South America, Australia, Europe, and Asia. Plastics packaging products manufactured by O-I include containers, closures, prescription containers, labels, and multipack carriers for beverage bottles.

CONTACT: Owens-Illinois, John Hoff, 419-247-1203