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

FORM 10-K

(MARK ONE)

/X/ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2000

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 of other jurisdiction of incorporation or organization	(Commission file number)	(IRS Employer Identification No.)

ONE SEAGATE, TOLEDO, OHIO	43666
(Address of principal executive offices)	(Zip Code)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: (419) 247-5000

SECURITIES REGISTERED PURSUANT TO SECTION 12(B) OF THE ACT:

TITLE OF EACH CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED
Common Stock, $.01 par value...............	New York Stock Exchange
Convertible Preferred Stock, $.01 par value, $50 liquidation preference........	New York Stock Exchange

SECURITIES REGISTERED PURSUANT TO SECTION 12(G) OF THE ACT:

NONE

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 by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. / /

The aggregate market value (based on the consolidated tape closing price on February 28, 2001) of the voting stock beneficially held by non-affiliates of Owens-Illinois, Inc. was approximately $826,165,000. For the sole purpose of making this calculation, the term "non-affiliate" has been interpreted to exclude directors and executive officers of the Company. Such interpretation is not intended to be, and should not be construed to be, an admission by Owens-Illinois, Inc. or such directors or executive officers of the Company that such directors and executive officers of the Company are "affiliates" of Owens-Illinois, Inc., as that term is defined under the Securities Act of 1934.

The number of shares of Common Stock, $.01 par value of Owens-Illinois, Inc. outstanding as of February 28, 2001 was 144,954,443.

DOCUMENTS INCORPORATED BY REFERENCE

Part III   Owens-Illinois, Inc. Proxy Statement for The Annual Meeting of Share Owners To Be Held Wednesday, May 9, 2001 ("Proxy Statement").

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PART I

ITEM 1. BUSINESS

GENERAL DEVELOPMENT OF BUSINESS

Owens-Illinois, Inc. (the "Company"), through its subsidiaries, is the successor to a business established in 1903. The Company is one of the world's leading manufacturers of packaging products. Approximately one of every two glass containers made worldwide is made by the Company, its affiliates or licensees. In addition to being the largest manufacturer of glass containers in the United States, North America, South America, Australia, New Zealand, and China, and one of the largest in Europe, the Company is a leading manufacturer in North America of plastic containers, plastic closures, plastic prescription containers, and multipack plastic carriers for beverage bottles. The Company also has plastics packaging operations in South America, Australia, Europe, and Asia. Since 1993, through acquisitions and investments strategic to its core businesses, the Company has expanded and furthered its market leadership position in the geographic areas in which it competes. During the years 1996 through 2000, the Company has invested more than $2.2 billion in capital expenditures (excluding acquisition expenditures) and more than $325 million in research, development and engineering to, among other things, increase capacity in key locations, commercialize its technology into new products, and improve productivity.

In May 1999 the Company's Board of Directors authorized the management of the Company to repurchase up to 10 million shares of common stock and in February 2000 to repurchase up to an additional 10 million shares. As of December 31, 2000, Owens-Illinois had repurchased approximately 12.0 million shares. In January 2001, the company redeemed the remaining outstanding shares of exchangeable preferred stock that were issued in 1993. The redeemed exchangeable preferred shares were equivalent to 910,697 shares of the company's common stock. The Company intends to purchase its common stock from time to time on the open market depending on market conditions and other factors.

Since 1991, the Company has acquired 17 glass container businesses in 17 countries, including businesses in Central and Eastern Europe and in the Asia Pacific region, and six plastics packaging businesses with operations in 11 countries. These acquisitions are consistent with the Company's strategy to maintain leadership in glass and plastics packaging and to pursue revenue and earnings growth opportunities around the world.

The principal executive office of the Registrant is located at One SeaGate, Toledo, Ohio 43666; the telephone number is (419) 247-5000.

FINANCIAL INFORMATION ABOUT PRODUCT SEGMENTS

Information as to sales, earnings before interest income, interest expense, provision for income taxes, minority share owners' interests in earnings of subsidiaries, and extraordinary charges ("EBIT"), and total assets by product segment is included on pages 50 - 53.

NARRATIVE DESCRIPTION OF BUSINESS

The Company has two product segments: (1) Glass Containers and (2) Plastics Packaging. Below is a description of these segments and information to the extent material to understanding the Company's business taken as a whole.

PRODUCTS AND SERVICES, CUSTOMERS, MARKETS AND COMPETITIVE CONDITIONS, AND METHODS OF DISTRIBUTION

GLASS CONTAINERS PRODUCT SEGMENT

The Company is a leading manufacturer of glass containers throughout the world. In addition to being the largest maker of glass containers in the United States, North America, South America, Australia, New Zealand, and China, the Company is also a leading manufacturer of glass packaging in Europe. Worldwide glass container sales represented 64%, 66%, and 68% of the Company's consolidated net sales for the years ended December 31, 2000, 1999, and 1998, respectively. The Company believes that its internally-designed glass forming machines are significantly more efficient and productive than those used by its competitors, making it the low-cost manufacturer and a recognized technological leader in the industry.

The Company currently has technical assistance agreements with 19 different companies in 19 countries. These agreements, which cover areas ranging from manufacturing and engineering assistance to support in functions such as marketing, sales, and administration, allow the Company to participate in the worldwide growth of the glass container industry. The Company believes these associations and its technical expertise will afford it opportunities to participate in the glass business in regions of the world where the Company does not have a presence, and expand in regions where the Company currently has operations.

PRODUCTS AND SERVICES. Glass containers are produced in a wide range of sizes, shapes and colors for beer, food, tea, juice, soft drinks, liquor, wine, wine coolers and pharmaceuticals. The Company has been a leader in product innovation and is active with new product development.

The Company's product development efforts in glass containers are aimed to provide custom designed and value-added packaging systems to customers and consumers. Product lines designed to complement glass containers include product extensions related to single service packages for teas, juices and soft drinks and innovative secondary packaging systems such as closures, carriers and labeled containers.

CUSTOMERS. Beer, food (which includes juice and teas), liquor (i.e. distilled spirits) and wine producers comprise the majority of industry demand for U.S. glass containers. In addition to the previously mentioned producers, international glass container customers include soft drink bottlers. In the regions where the Company has operations, it has leading positions within these industry end uses. The Company believes its position gives it the ability to sustain market share and take advantage of new opportunities and areas of growth for all customers within these industries.

Most glass production is sold to customers under supply agreements, which specify estimated quantities to be shipped as a percentage of the customers' total annual shipment requirements. Containers are typically scheduled for production in response to customers' orders for their quarterly requirements.

MARKETS AND COMPETITIVE CONDITIONS. The Company has glass container operations located in 19 countries. The principal markets for the Company's glass products are in North America, Europe, Australia, and South America. The Company has the leading market share of the glass segment of United States beer and food (including juice and teas) packaging. Internationally, the Company is the leading producer of glass containers in most of the geographic markets in which it is located.

The principal competitors producing glass containers within the U.S. market are Ball-Foster Glass Container Co., L.L.C., a wholly-owned subsidiary of Paris-based Saint-Gobain ("Ball-Foster"), and Anchor Glass Container Corporation, a wholly-owned subsidiary of Canadian-based Consumers Packaging, Inc. The principal competitor producing glass containers outside the U.S. market is Saint-Gobain. As well as competing with other large, well-established manufacturers in the glass container segment, the Company's glass products compete with other forms of rigid packaging, principally aluminum cans and plastic bottles, on the basis of quality, service, and price. The principal competitors producing metal containers are Rexam PLC, Ball Corporation, Crown Cork & Seal Company, Inc., and Silgan Holdings Inc. In the metal container market, no one competitor is dominant. The principal competitors supplying plastic containers are Consolidated Container Company LLC, (a subsidiary of Consolidated Container Holdings formed to own all of the plastics packaging assets of Reid Plastics and substantially all of the U.S. plastic packaging assets of Suiza Foods, which consist of Franklin Plastics and Plastic Containers), Graham Packaging Co., Plastipak Packaging, Inc., and Silgan Corporation. In the plastic containers market, no one competitor is dominant.

METHODS OF DISTRIBUTION. Due to the significance of transportation costs and the importance of timely delivery, manufacturing facilities are generally located close to customers. Most of the Company's glass container products are shipped by common carrier to customers within a 250-mile radius of a given production site. In addition, the international glass operations export some products to customers beyond their national boundaries, which may include transportation by rail and ocean delivery in combination with common carriers. The Company also operates several machine and mold shops, which manufacture high-productivity glass-forming machines, molds, and related equipment.

DOMESTIC GLASS OPERATIONS. The Company has an approximate 46% share of the glass container category of the U.S. rigid packaging market. Domestically, the Company operates 18 glass container manufacturing facilities and two machine shops which manufacture high-productivity glass-forming machines and equipment. Marketing under the trade name Owens-Brockway, the Company believes that its 2000 U.S. glass container sales were significantly higher than the sales of its nearest U.S. glass container competitor, Ball-Foster.

Unit shipments in the U.S. to brewers and food producers, including producers of juice and teas, approximated 90% of the Company's total U.S. glass container unit shipments for 2000, 1999, and 1998.

During 2000, total glass container industry shipments within the United States rigid packaging market were slightly below 1999 shipment levels. The Company's share of the United States glass container market remained relatively stable during this time. Overall, the Company expects glass containers' share of the United States rigid packaging market to decline compared to 2000 levels and that the Company will maintain its share of the glass container segment due to new market opportunities such as microbrew beers, excellent cost control and proprietary technology.

The glass container industry in the United States continues to recycle used glass containers into new glass containers. In addition, recycling content legislation which has been enacted in California requires that thirty-five percent of recycled glass be included in the production of new glass containers. The Company is an important part of the recycling effort and continues to melt substantial recycled glass tonnage in all of its glass furnaces. The infrastructure for recycling glass also supplies recycled glass containers to producers other than those in the glass container industry for use in the manufacture of secondary products (i.e. fiberglass and roadway material manufacturers). Glass recycling saves energy, reduces costs as well as consumption of raw materials, and diverts billions of bottles and jars annually from landfills. The Company has no technological barriers to using all of the recycled glass it can reasonably expect to obtain from public/private collection programs as long as such glass meets incoming material quality standards.

INTERNATIONAL GLASS OPERATIONS. The Company has added to its international operations by acquiring glass container companies with leading positions in growing or established markets, increasing capacity at selected foreign affiliates, and maintaining the global network of glass container companies that license the Company's technology. The Company has significant ownership positions in 23 companies located in 18 foreign countries and Puerto Rico. Most of the Company's international glass affiliates are the leading container manufacturers in their respective countries, producing a full line of containers for the soft drink, beer, wine, liquor, food, drug and chemical industries. Some of these companies also produce molds, mold parts, sand and feldspar, limestone, machines and machine parts, glass insulators, rolled glass, sheet glass and glass tableware. The Company's principal international glass affiliates are located in Europe, Australia, and South America.

Although unusually severe economic and market conditions in South America and Europe have adversely affected the Company's 2000 and 1999 operating results, unit shipments of glass containers in countries outside of the United States have grown substantially from levels of the early 1990's. In many regions, international glass operations have benefited from increased consumer spending power, increased privatization of industry, a favorable climate for foreign investment, lowering of trade barriers, and global expansion programs by major customers. In many developing countries glass has a significant cost advantage over plastic and metal containers. Technologies which have produced productivity improvements in the Company's United States Glass Container operations are also being applied to the operations of foreign affiliates. The Company is continuing to pursue additional strategic alliances with international partners whose markets are growing and whose manufacturing operations can be enhanced by the Company's state-of-the-art technology and equipment, which enables such operations to improve quality, increase productivity, reduce bottle weights, and decrease energy consumption. Revenues generated in countries where the Company does not have a direct ownership position may also provide a benefit to the Company in the form of royalties tied to sales volume of the Company's licensees.

The Company's significant ownership positions in international glass affiliates are summarized below:

COMPANY/COUNTRY	OWNERSHIP
ACI Glass Packaging, Australia	100.0%
Avirunion, a.s., Czech Republic	100.0
Karhulan Lasi Oy, Finland	100.0
United Hungarian Glass Containers, Kft., Hungary	100.0
Owens-Brockway (India) Limited, India	100.0
AVIR S.p.A., Italy	100.0
ACI New Zealand Glass Manufacturers, New Zealand	100.0
Vidrieria Rovira, S.A., Spain	100.0
United Glass Ltd., United Kingodm	100.0
Manufacturera de Vidrios Planos, C.A., Venezuela	100.0
A/S Jarvakandi Klaas, Estonia	99.9
Huta Szkla Jaroslaw S.A., Poland	99.2
Vidrios Industriales, S.A., Peru	96.0
Owens-Illinois de Puerto Rico, Puerto Rico	80.0
Huta Szkla Antoninek Sp.zo.o, Poland	80.0
Companhia industrial Sao Paulo e Rio, Brazil	79.4
Owens-Illinois de Venezuela, C.A., Venezuela	74.0
ACI Guangdong Glass Company Ltd., China	70.0
ACI Shanghai Glass Company Ltd., China	70.0
Wuhan Owens Glass Container Company Ltd., China	70.0
Cristaleria del Ecuador, S.A., Ecuador	69.0
Cristaleria Peldar, S. A., Colombia	58.4
PT Kangar Consolidated Industries, Indonesia	50.2

PLASTICS PACKAGING PRODUCT SEGMENT

The Company is a leading plastic container manufacturer in North America, with operations also located in South America, Australia, Europe, and Asia. The Company is the market leader in most plastic segments in which it competes. Plastic container sales represented 22%, 20%, and 18%, and of the Company's consolidated net sales for the years ended December 31, 2000, 1999, and 1998, respectively. The Company's Plastics Packaging segment is comprised of three business units.

PLASTIC CONTAINERS. This unit, with 48 factories, manufactures rigid, semi-rigid, flexible and multi-layer plastic containers for a wide variety of uses, including household products, personal care products, health care products, chemicals and automotive products and food. This unit includes the CPT operations, which produces mono and multi-material PET containers for a number of applications that require special processing to ensure heat resistance for food and beverage containers that are filled at high temperatures, and to enhance barrier protection in order to increase shelf life.

CLOSURE AND SPECIALTY PRODUCTS. This unit, with 17 manufacturing facilities, develops and produces closures and closure systems which incorporate functional features such as tamper evidence, child resistance and dispensing. In addition, this unit's diverse product line includes trigger sprayers, finger pumps, and lotion pumps, as well as finger pumps for the fragrance and cosmetic industry. In the United States, the Company has a sole license for Alcoa's technology for compression molded, tamper evident, thermoplastic closures. This unit also manufactures custom injection molded products, such as deodorant canisters and toothpaste dispensers as well as the proprietary Contour-Pak-Registered Trademark- plastic carrier line for bottles. This carrier line is predominantly used as six-pack and four-pack carriers for iced teas and other fruit drinks.

PRESCRIPTION PRODUCTS. The Company's Prescription Products unit manufactures prescription containers. These products are sold primarily to drug wholesalers, major drug chains, mail order pharmacy and the government. Containers for prescriptions include plastic and glass ovals, vials, ointment jars, dropper bottles and automation friendly RX bottles and closures. The only other major producer in the plastic containers segment of prescription drug packaging is Kerr Group, Inc.

MARKETS. Major markets for these units include the household products, personal care products, health care products, and food and beverage industries.

The plastic segment of the rigid packaging market is competitive and fragmented due to generally available technology, low costs of entry and customer emphasis on low package cost. A large number of competitors exists on both a national and regional basis. The Company competes by emphasizing total package supply (i.e. bottle and closure system), diversified market positions, proprietary technology and products, new package development, and packaging innovation. The market for closures is divided into various categories in which several suppliers compete for business on the basis of price and product design.

The Company's strategy has been to compete in the segments of the plastic packaging market where customers seek to use distinctive packaging to differentiate their products among a growing array of choices offered to consumers. The Company believes it is a leader in technology and development of custom products and has a leading market position for such products. The Company believes its plastic container and closure businesses have a competitive advantage as a result of one of the shortest new product development cycles in the industry, enabling the Company to provide superior service in the service-sensitive custom plastic container market. The Company's product innovations in plastic containers and closures include in-mold labeling for custom molded bottles, multilayer structured bottles containing post consumer recycled resin, Flex-Band-Registered Trademark- and PlasTop-Registered Trademark- tamper-evident closures, Clic Loc-Registered Trademark-, Argus-Loc-Registered Trademark-, and Ultra-Loc-Registered Trademark- child-resistant closures, and 1-Clic-Registered Trademark- vial system which can be used in either child-resistant or non-child-resistant modes. Recycling content legislation, which has been enacted in several states, requires that a certain specified minimum percentage of recycled plastic be included in certain new plastic containers. The Company has met such legislated standards in part due to its material and multilayer process technology.

The Company's Plastics Packaging segment currently has technical assistance agreements or cross-licenses with 37 companies in 20 countries. These agreements, which cover areas ranging from manufacturing and engineering assistance to support in functions such as marketing, sales, and administration, allow the Company to participate in the worldwide growth of the plastic packaging industry.

ADDITIONAL INFORMATION

NEW PRODUCTS. New products and numerous refinements of existing products are developed and introduced in each segment every year. No single new product or refinement, or group of new products and refinements, have been recently introduced or are scheduled for introduction which required the investment of a material amount of the Company's assets or which otherwise would be considered material.

SOURCES AND AVAILABILITY OF RAW MATERIALS. All of the raw materials the Company uses have historically been available in adequate supply from multiple sources. However, for certain raw materials, there may be temporary shortages due to weather or other factors, including disruptions in supply caused by raw material transportation or production delays; such shortages are not expected to have a material effect on the Company's operations.

PATENTS AND LICENSES. The Company has a large number of patents which relate to a wide variety of products and processes, has pending a substantial number of patent applications, and is licensed under several patents of others. While in the aggregate its patents are of material importance to its business, the Company does not consider that any patent or group of patents relating to a particular product or process is of material importance when judged from the standpoint of any segment or its business as a whole.

SEASONALITY. Sales of particular products of the Glass Containers and Plastics Group business segments such as beer and certain food containers are seasonal. Shipments in the United States and Europe are typically greater in the second and third quarters of the year, while shipments in Latin America and the Asia Pacific region are typically greater in the first and fourth quarters of the year.

WORKING CAPITAL. In general, the working capital practices followed by the Company are typical of the businesses in which it operates. During the first and second quarters of the year the accumulation of inventories of certain products in advance of expected shipments reflects the seasonal nature of those businesses and may require periodic borrowings.

CUSTOMERS. Major customers exist for each of the Company's industry segments, and in each industry segment the loss of a few of these customers might have a material adverse effect on the segment. Major customers of the Company include such companies as Anheuser-Busch Companies, Inc., Philip Morris Companies Inc., Pepsico, The Procter & Gamble Company, Unilever, N.V. and other leading companies which manufacture and market a variety of consumer products.

RESEARCH AND DEVELOPMENT. Research and development constitutes an important part of the Company's activities. Research and development expenditures were $46.7 million, $37.5 million, and $36.4 million for 2000, 1999, and 1998, respectively. Operating engineering expenditures were $31.3 million, $42.2 million, and $34.8 million for 2000,1999, and 1998, respectively. In addition to new product development, substantial portions of the technical effort are devoted to increased process control, automatic inspection, and automation. No material amount of money was spent on customer-sponsored research activities during 2000, 1999, or 1998.

ENVIRONMENT. The Company's operations, in common with those of the industry generally, are subject to numerous existing and proposed laws and governmental regulations designed to protect the environment, particularly regarding plant wastes and emissions and solid waste disposal. Capital expenditures for property, plant, and equipment for environmental control activities were not material during 2000.

A number of states have enacted, or are considering, legislation to promote curbside recycling and recycled content legislation as alternatives to mandatory deposit laws. Although such legislation is not uniformly developed, the Company believes that states will continue to enact and develop curbside recycling and recycling content legislation.

Sales of non-refillable glass beverage bottles and other convenience packages are affected by mandatory deposit laws and other types of restrictive legislation. As of January 1, 2001, there are nine states with mandatory deposit laws in effect.

Plastic containers have also been the subject of legislation in various states. The Company utilizes recycled plastic resin in its manufacturing processes. During 2000 and 1999, many plastic containers for products other than food, drugs, and cosmetics contained 25% post consumer resin. The Company believes it is an industry leader in such technology.

Although the Company is unable to predict what legislation or regulations may be adopted in the future with respect to environmental protection and waste disposal, compliance with existing legislation and regulations has not had, and is not expected to have, a material adverse effect on its capital expenditures, results of operations, or competitive position.

NUMBER OF EMPLOYEES. The Company's operations employed approximately 34,400 persons at December 31, 2000. A majority of these employees are hourly workers covered by collective bargaining agreements, the principal one of which was renewed early in 1999 for three years. The Company considers its employee relations to be good. The Company has not had any material labor disputes in the last five years, and does not anticipate any material work stoppages in the near term.

FINANCIAL INFORMATION ABOUT FOREIGN AND DOMESTIC OPERATIONS AND EXPORT SALES. Information as to net sales, EBIT, and assets of the Company's product and geographic segments is included on pages 50 - 53. Export sales, in the aggregate or by geographic area, were not material for the years 2000, 1999, or 1998.

ITEM 2. PROPERTIES

The principal manufacturing facilities and other material important physical properties of the continuing operations of the Company at December 31, 2000 are listed below and grouped by product segment. All properties shown are owned in fee except where otherwise noted.

GLASS CONTAINERS

NORTH AMERICAN OPERATIONS

United States

Glass Container Plants

Atlanta, GA	Oakland, CA
Auburn, NY	Portland, OR
Charlotte, MI	Streator, IL
Clarion, PA	Toano, VA
Crenshaw, PA	Tracy, CA
Danville, VA	Volney, NY (3)
Hayward, CA	Waco, TX
Lapel, IN	Winston-Salem, NC
Los Angeles, CA	Zanesville, OH
Muskogee, OK	

Machine Shops

Brockway, PA	Godfrey, IL

Puerto Rico

Glass Container Plant

Vega Alta

ASIA PACIFIC OPERATIONS
Australia
Glass Container Plants
Adelaide
Brisbane
Melbourne
Perth
Sydney
Mold Shop
Melbourne
Raw Materials Plants (4)
Beachworth
Caroline
Dandenong
Glenshera
Tantanoola
Lang Lang
Port Parham
Port Stephens
North Stradbroke Island
China
Glass Container Plants
Guangzhou
Shanghai
Wuhan
Mold Shop
Tianjin
India
Glass Container Plants
Pondicherry
Pune
Rishikesh
Indonesia
Glass Container Plant
Jakarta
New Zealand
Glass Container Plant
Auckland
EUROPEAN OPERATIONS
Czech Republic
Glass Container Plants
Sokolov
Teplice
Estonia
Glass Container Plant
Jarvakandi
Finland
Glass Container Plant
Karhula
Hungary
Glass Container Plant
Oroshaza
Italy
Glass Container Plants
Asti
Bari (2 plants)
Bologna
Milan (2 plants)
Napoli
Pordenone
Rome
Terni
Trento (2 plants)
Treviso
Mold Shop
Napoli
Poland
Glass Container Plants
Jaroslaw
Poznan
Spain
Glass Container Plant
Barcelona
United Kingdom
Glass Container Plants
Alloa
Harlow
Sand Plant
Devilla

SOUTH AMERICAN OPERATIONS

Brazil

Glass Container Plants

Rio de Janeiro
Sao Paulo

Machine Shop

Manaus

Colombia

Glass Container Plants

Envigado
Zipaquira
Soacha

Tableware Plant

Buga

Machine Shop

Cali

Ecuador

Glass Container Plant

Guayaquil

Peru

Glass Container Plants

Callao
Surquillo

Venezuela

Glass Container Plants

La Victoria
Valera
Valencia

PLASTICS PACKAGING

NORTH AMERICAN OPERATIONS

HDPE (High Density Polyethylene) and PET (Polyethylene Terephthalate) Container Plants

United States

Atlanta, GA	Kansas City, MO (2)
Baltimore, MD	Kissimmee, FL
Bedford, NH	La Mirada, CA (2)
Belvidere, NJ	Modesto, CA
Cartersville, GA	Nashua, NH
Chicago, IL	Newburyport, MA
Cincinnati, OH	Rockwall, TX
Edison, NJ	Rocky Mount, NC
Findlay, OH	Rossville, GA (2)
Florence, KY (2 plants)	St. Louis, MO (2)
Fremont, OH	Sullivan, IN
Greenville, SC	Tolleson, AZ
Harrisonburg, VA	Vandalia, IL
Hazleton, PA	Washington, NJ (2)
Henderson, NV	

Mexico

Mexico City
Pachuca

Closure and Specialty Products Plants

United States

Bridgeport, CT	Erie, PA
Brookville, PA	Franklin, IN
Constantine, MI	Hamlet, NC
El Paso, TX (2)	Maumee, OH (2)

Puerto Rico

Las Piedras

Prescription Products Plant

United States

Berlin, OH (1)

ASIA PACIFIC OPERATIONS
Plastic Container Plants
Australia

Adelaide	Perth
Brisbane	Sydney (2 plants)
Berri	Wadonga
Melbourne (2 plants)	

New Zealand

Auckland	Christchurch

Closure Plants
Australia

Brisbane (2 plants)	Perth
Drouin	Sydney
Melbourne (3 plants)	

EUROPEAN OPERATIONS
Plastic Container Plants
Finland
Ryttyla
Hungary
Gyor
Netherlands
Etten-Leur
United Kingdom
Chalgrove
SOUTH AMERICAN OPERATIONS
Plastic Container Plants
Brazil
Sorocaba
Venezuela
Valencia
OTHER
Label and Carrier Products Plant
Bardstown, KY (4)
CORPORATE FACILITIES
World Headquarters Building
Toledo, OH (2)
Levis Development Park
Perrysburg, OH

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(1) This facility is financed in whole or in part under tax-exempt financing agreements.

(2) This facility is leased in whole or in part.

(3) Subsequent to December 31, 2000, this facility will be shut down.

(4) Subsequent to December 31, 2000, these facilities were sold.

The Company believes that its facilities are well maintained and currently adequate for its planned production requirements over the next three to five years.

ITEM 3. LEGAL PROCEEDINGS

See the section entitled "Contingencies" on pages 48 - 50.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matter was submitted to a vote of security holders during the last quarter of the fiscal year ended December 31, 2000.

EXECUTIVE OFFICERS OF THE REGISTRANT

NAME AND AGE	POSITION
Joseph H. Lemieux (70)	Chairman since 1991; Chief Executive Officer since 1990; President and Chief Operating Officer, 1986-1990; Director since 1984. Member of Class III of the Board of Directors of the Company, with a term expiring in 2003.
R. Scott Trumbull (52)	Executive Vice President, International Operations since 1993; Executive Vice President, Corporate Development since 1998; Vice President and Director of Corporate Planning, 1992-1993; Vice President and General Manager of Plastics and Closure Operations, 1986-1992.
Terry L. Wilkison (59)	Executive Vice President, Plastics Group General Manager since 2000; Executive Vice President, Latin American Operations, 1998-2000; Executive Vice President 1993-1997; Executive Vice President, Domestic Packaging Operations, 1993-1996; Vice President and General Manager of Plastics, Closures, and Prescription Products, 1992-1993; Vice President and General Manager of Specialty Glass Operations, 1987-1992.
Thomas L. Young (57)	Executive Vice President, Administration and General Counsel since 1993; Secretary, 1990-1998; Vice President, General Counsel, General Manager -- Operations Administration, 1992-1993; Vice President and General Counsel, 1990-1992; Member of Class I of the Board of Directors of the Company, with a term expiring in 2001.
David G. Van Hooser (54)	Senior Vice President and Chief Financial Officer since 1998; Senior Vice President and Director of Corporate Strategy, 1996-1998; Vice President and General Manager of Plastic Components Operations, 1994-1996; Vice President, Treasurer and Controller, 1990-1994; Vice President and Treasurer, 1988-1990.
John Bachey (52)	Vice President since 1997; Vice President of Glass Container Sales and Marketing since 2000; General Manager, European and Latin American Plastics Operations, 1999-2000; General Manager, Europe and Latin America, Continental PET Technologies, 1998-1999; Vice President of Glass Container Sales and Marketing, 1996-1997; Vice President and General Manager, West Coast, 1993-1996.

NAME AND AGE	POSITION
James W. Baehren (50)........................	Corporate Secretary since 1998; Associate General Counsel since 1996; Assistant General Counsel, 1992-1996.
Joseph V. Conda (59).........................	Vice President since 1998; Vice President and General Manager of Prescription Products since 2000; Vice President of Glass Container Sales and Marketing, 1997-2000; Vice President and General Manager of Prescription Products, 1996-1997.
Thomas E. Coyle (50).........................	Vice President since 1999; Vice President and Director of Marketing and Business Development for Plastic Containers since 2000; Vice President and General Manager of Prescription Products, 1997-2000; Vice President of Plastic Containers Operations, 1991-1997.
L. Richard Crawford (39).....................	Vice President since 2000; Manufacturing Manager of Domestic Glass Container since 2000; Vice President of Domestic Glass Container and Area Manufacturing Manager, West Coast, 1997-2000; Domestic Glass Container Area Manufacturing Manager, 1994-1997.
Jeffrey A. Denker (53).......................	Treasurer since 1998; Assistant Treasurer, 1988-1998; Director of International Finance, 1987-1998.
Larry A. Griffith (55).......................	Vice President since 1990; Vice President and General Manager of Closure and Specialty Products since 1998; Vice President of International Operations, 1997-1998; Vice President and Chief Information Officer, 1996-1998; General Manager of Plastic Components Operations, 1996-1997; General Manager of Kimble, 1992-1995; Vice President of Corporate Staff and Director of Corporate Planning, 1988-1990.
W. Bruce Larsen (47).........................	Vice President since 1997; Vice President and General Manager of Plastic Containers since 1999; Vice President and Director of Operations, Plastic Containers 1998-1999; Vice President and Director of Manufacturing, Plastic Containers, 1993-1998.
Gerald J. Lemieux (43).......................	Vice President since 1997; Vice President and General Manager of Domestic Glass Container since 1997; Vice President, Domestic Glass Container Finance and Administration, 1992-1997.

Mr. Gerald J. Lemieux is the son of Mr. Joseph H. Lemieux

Michael D. McDaniel (52).....................	Vice President since 1992; Vice President and General Manager of Continental PET Technologies since 1998; Vice President and General Manager of Closure and Specialty Products, 1991-1998; Vice President and Director of Manufacturing and Engineering of Closure Operations, 1990-1991; Vice President and Manufacturing Manager of Closure Operations, 1985-1990.
Philip McWeeny (61)..........................	Vice President and General Counsel -- Corporate since 1988.

NAME AND AGE	POSITION
Gilberto Restrepo (60).......................	Vice President since 2000; General Manager of Latin American Glass Container Operations since 2000; Vice President of International Operations and General Manager, Western Region--Latin America, 1997-2000; President of Cristaleria Peldar, S.A., since 1982.
Peter J. Robinson (57).......................	Vice President since 1999; General Manager of Asia Pacific Operations since 1998; Chief Executive of ACI Packaging Group, 1988-1998.
Robert A. Smith (59).........................	Vice President since 1993; Vice President and Technical Director since 1998; Vice President of International Operations, 1997-1998; Vice President of Glass Container Manufacturing, 1993-1997; Vice President and General Manager, West Coast, 1990-1993; Vice President and Area Manufacturing Manager, 1986-1990.
Franco Todisco (57)..........................	Vice President since 1999; General Manager of Southern and Central Europe Operations since 1999; President of Avir S.p.A., 1994-1999; Vice President of Avir S.p.A., 1977-1994.
Edward C. White (53).........................	Controller since 1999. Vice President and Director of Finance, Planning, and Administration -- International Operations, 1997-1999; Financial Director of the Company's affiliates in Finland and Poland, 1996-1997; President, Coe Press Equipment Company, 1995-1996

PART II

ITEM 5. MARKET FOR OWENS-ILLINOIS, INC.'S COMMON STOCK AND RELATED SHARE OWNER MATTERS

The price range for the Company's Common Stock on the New York Stock Exchange, as reported by National Association of Securities Dealers, was as follows:

	2000		1999	
	HIGH	LOW	HIGH	LOW
First Quarter	24 7/8	13 1/4	32 3/4	22
Second Quarter	17 3/4	11 1/16	33 7/16	23 5/8
Third Quarter	14 3/8	9	32 3/16	19 7/16
Fourth Quarter	9 7/8	2 1/2	25 7/16	19 5/16

The number of share owners of record on January 31, 2001 was 1,279. Approximately 75 percent of the outstanding shares were registered in the name of Depository Trust Company, or CEDE, which held such shares on behalf of 242 brokerage firms, banks, and other financial institutions. The shares attributed to these financial institutions, in turn, represented the interests of more than 25,000 unidentified beneficial owners. No dividends have been declared or paid since the Company's initial public offering in December 1991. For restrictions on payment of dividends on Common Stock, see the fourth paragraph of the section entitled "Long-Term Debt" on page 37.

ITEM 6. SELECTED FINANCIAL DATA

The selected consolidated financial data presented below relates to each of the five years in the period ended December 31, 2000. Such data was derived from the Consolidated Financial Statements, of which the most recent three years are included elsewhere in this document and were audited by Ernst & Young LLP, independent auditors, whose report with respect to the financial statements appears elsewhere in this document. See Consolidated Financial Statements--Statement of Significant Accounting Policies and Financial Review.

	Years Ended December 31,				
	2000	1999	1998(a)	1997(b)	1996
	(Dollar amounts in millions)				
Consolidated operating results:					
Net sales	$5,552.1	$5,522.9	$5,306.3	$4,658.5	$3,845.7
Other revenue(c)	262.7	263.8	193.0	169.9	130.5
	5,814.8	5,786.7	5,499.3	4,828.4	3,976.2
Costs and expenses:					
Manufacturing, shipping and delivery	4,359.1	4,296.4	4,075.6	3,666.4	3,025.6
Research, engineering, selling, administrative and other(d)	1,360.6	566.6	834.7	407.0	323.9
Earnings before interest expense and items below	95.1	923.7	589.0	755.0	626.7
Interest expense	486.7	425.9	380.0	302.7	302.6
Earnings (loss) before items below	(391.6)	497.8	209.0	452.3	324.1
Provision (credit) for income taxes(e)	(143.9)	185.5	66.7	148.5	104.9
Minority share owners' interests in earnings of subsidiaries	22.0	13.2	20.2	31.4	28.1
Earnings (loss) before extraordinary items	(269.7)	299.1	122.1	272.4	191.1
Extraordinary charges from early extinguishment of debt, net of applicable income taxes		(0.8)	(14.1)	(104.5)	
Net earnings (loss)	$ (269.7)	$ 298.3	$ 108.0	$ 167.9	$ 191.1

	2000	1999	1998(a)	1997(b)	1996
	Years ended December 31, (Dollar amounts in millions, except per share data)				
Basic earnings (loss) per share of common stock:					
Earnings (loss) before extraordinary items	$ (2.00)	$ 1.80	$ 0.71	$ 2.03	$ 1.58
Extraordinary charges		(0.01)	(0.09)	(0.78)	
Net earnings (loss)	$ (2.00)	$ 1.79	$ 0.62	$ 1.25	$ 1.58
Weighted average shares outstanding (in thousands)	145,983	153,804	149,970	133,597	120,276
Diluted earnings (loss) per share of common stock:					
Earnings (loss) before extraordinary items	$ (2.00)	$ 1.79	$ 0.71	$ 2.01	$ 1.55
Extraordinary charges		(0.01)	(0.09)	(0.77)	
Net earnings (loss)	$ (2.00)	$ 1.78	$ 0.62	$ 1.24	$ 1.55
Diluted average shares (in thousands)	145,983	155,209	150,944	135,676	123,567

For the year ended December 31, 2000, diluted earnings per share of common stock are equal to basic earnings per share of common stock due to the net loss. The Company's convertible preferred stock was not included in the computation of 1999 and 1998 diluted earnings per share since the result would have been antidilutive. The Company's exchangeable preferred stock was not included in the computation of 1998 diluted earnings per share since the result would have been antidilutive. Options to purchase 3,357,449, 1,160,667, 11,429, and 146,975 weighted average shares of common stock which were outstanding during 1999, 1998, 1997, and 1996, 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.

	2000	1999	1998(a)	1997(b)	1996
	Years ended December 31, (Dollar amounts in millions)				
Other data:					
The following are included in net earnings:					
Depreciation	$ 412.6	$ 403.7	$ 358.5	$ 283.5	$ 219.8
Amortization of excess cost and intangibles	126.8	132.7	98.0	55.9	46.8
Amortization of deferred finance fees (included in interest expense)	10.1	8.9	7.4	4.1	5.0
	$ 549.5	$ 545.3	$ 463.9	$ 343.5	$ 271.6
Balance sheet data (at end of period):					
Working capital	$ 764	$ 837	$ 850	$ 604	$ 380
Total assets	10,343	10,756	11,061	6,845	6,105
Total debt	5,850	5,939	5,917	3,324	3,395
Share owners' equity	1,883	2,350	2,472	1,342	730

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(a) Results of operations and other data since April 1998 include the acquisition of the worldwide glass and plastics packaging businesses of BTR plc, and the related financings.

(b) Results of operations and other data since January 1997 include the acquisition of AVIR S.p.A. Also during 1997, the Company implemented a refinancing plan.

(c) Other revenue in 1999 includes 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.

Other revenue in 1998 includes: (1) a gain of $18.5 million ($11.4 million after tax) 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; and (2) a loss of $5.7 million ($3.5 million after tax) on the sale of a discontinued operation by an equity investee.

Other revenue in 1997 includes a gain of $16.3 million ($16.3 million after tax) from the sale of the remaining 49% interest in Kimble Glass.

(d) In 2000, the Company recorded pretax charges totaling $798.3 million ($513.1 million after tax and minority share owners' interests) for the following: (1) $550.0 million ($342.1 million after tax) related to adjustment of the reserve for estimated future asbestos-related costs; (2) $122.4 million ($77.3 million after tax and minority share owners' interests) related to the consolidation of manufacturing capacity; (3) a net charge of $52.4 million ($32.6 million after tax) related to early retirement incentives and special termination benefits for 350 United States salaried employees; (4) $40.0 million ($40.0 million after tax) related to the impairment of property, plant and equipment at the Company's facilities in India; and (5) $33.5 million ($21.1 million after tax and minority share owners' interests) related principally to the write-off of software and related development costs.

Amount for 1999 includes second quarter 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 Latin America.

In 1998, the Company recorded: (1) a charge of $250.0 million ($154.4 million after tax) related to adjustment of the reserve for estimated future asbestos-related costs; (2) charges of $72.6 million ($47.4 million after tax and minority share owners' interests) related principally to a plant closing in the United Kingdom and restructuring costs at certain international affiliates; (3) a net charge of $0.9 million ($0.6 million after tax) for the settlement of certain environmental litigation and the reduction of previously established reserves for guarantees of certain obligations of a previously divested business.

In 1998, the Company also recorded charges of $42.0 million ($31.5 million after tax and minority share owners' interests) principally for write-offs of certain assets associated with business conditions in emerging markets.

In 1997, the Company recorded charges of $14.1 million ($8.7 million after tax) principally for guarantees of certain lease obligations of a previously divested business.

(e) Amount for 2000 includes a fourth quarter benefit of $9.3 million to adjust net income tax liabilities in Italy as a result of recent legislation.

In 1998, the Company recorded a credit of $15.1 million to adjust net deferred income tax liabilities as a result of a reduction in Italy's statutory income tax rate.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

COMPARISON OF 2000 WITH 1999

For the year ended December 31, 2000, the Company recorded a net loss of $269.7 million compared to earnings before extraordinary items of $299.1 million for 1999. Net earnings of $298.3 million for 1999 reflect $.8 million of extraordinary charges from the early extinguishment of debt. Excluding the effects of unusual items for both 2000 and 1999 discussed in the table below, the Company's 2000 earnings of $234.1 million decreased $55.4 million, or 19.1%, from 1999 earnings before extraordinary items of $289.5 million.

The following table lists unusual items (in millions of dollars) recorded in 2000 and 1999, and their related effects on both EBIT and earnings before extraordinary items. EBIT is defined as earnings before interest income, interest expense, provision for income taxes, minority share owners' interest in earnings of subsidiaries, and extraordinary charges.

	2000		1999	
	EBIT	EARNINGS (LOSS)	EBIT	EARNINGS BEFORE EXTRAORDINARY ITEMS
As reported	$ 62.6	$(269.7)	$895.2	$299.1
Unusual items--charges (credits):				
Adjustment of reserve for estimated future asbestos-related costs	550.0	342.1		
Charges related to consolidation of manufacturing capacity	122.4	77.3		
Charges related to early retirement incentives and special termination benefits	52.4	32.6		
Charges related to impairment of property, plant, and equipment in India	40.0	40.0		
Other charges, principally related to the write-off of software	33.5	21.1		
Benefit related to an adjustment of tax liabilities in Italy as a result of recent legislation		(9.3)		
Net gains on the sales of a U.S. glass container plant and a mold manufacturing business in Colombia			(40.8)	(23.6)
Charges for restructuring costs and write-offs of certain assets in Europe and South America			20.8	14.0
Before unusual items	$860.9	$ 234.1	$875.2	$289.5

Consolidated EBIT, excluding unusual items, for 2000 was $860.9 million, a decrease of $14.3 million, or 1.6%, compared to 1999 EBIT, excluding unusual items, of $875.2 million. The decrease is attributable to lower EBIT for the Plastics Packaging segment, partially offset by slightly higher EBIT for the Glass Containers segment. Results of both segments are discussed further below. Interest expense, net of interest income, increased $56.8 million from the 1999 period due principally to higher interest rates. The $8.8 million increase in minority share owners' interests in earnings of subsidiaries resulted from higher net earnings of certain foreign affiliates, principally the affiliates in Colombia, Venezuela, and Brazil. Exclusive of the adjustment for net income tax liabilities in Italy and other unusual items previously discussed, the Company's effective tax rate for 2000 was 36.9%. This compares with a rate of 36.9% for 1999, excluding unusual items.

Capsule segment results (millions of dollars) for 2000 and 1999 are as follows (a):

NET SALES TO UNAFFILIATED CUSTOMERS	2000	1999
Glass Containers	$3,695.6	$3,762.6
Plastics Packaging	1,787.6	1,686.7
Other	68.9	73.6
Segment and consolidated net sales	$5,552.1	$5,522.9

EBIT	2000(b)	1999
Glass Containers	$ 401.2	$ 602.4(c)
Plastics Packaging	238.0	277.7
Other	1.1	9.2
Segment EBIT	640.3	889.3
Eliminations and other retained costs	(577.7)	5.9
Consolidated EBIT	$ 62.6	$ 895.2

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(a) See Segment Information included on pages 50 - 53.

(b) EBIT for 2000 includes charges totaling $798.3 million for the following: (1) $550.0 million related to adjustment of the reserve for estimated future asbestos-related costs; (2) $122.4 million related to the consolidation of manufacturing capacity; (3) a net charge of $52.4 million related to early retirement incentives and special termination benefits for 350 United States salaried employees; (4) $40.0 million related to the impairment of property, plant and equipment at the Company's facilities in India; and (5) $33.5 million related principally to the write-off of software and related development costs. These items were recorded in the third quarter of 2000. These items decreased segment EBIT as follows: Glass Containers--$186.0 million; Plastics Packaging--$11.2 million; Eliminations and Other Retained Costs--$601.1 million.

(c) 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.

Consolidated net sales for 2000 increased $29.2 million, or .5%, over the prior year. Net sales of the Glass Containers segment decreased $67.0 million from 1999. In the United States, the effect of increased shipments of containers for beer producers was partially offset by lower shipments of certain food containers. The combined U.S. dollar sales of the segment's foreign affiliates decreased from the prior year due to the strength of the U.S. dollar. Increased shipments from the Company's operations throughout most of Europe, South America, and the Asia Pacific region were more than offset by lower shipments from the Company's operations in the United Kingdom and the effects of a strong U.S. dollar. The effect of changing foreign currency exchange rates reduced U.S. dollar sales of the segment's foreign affiliates by approximately $250 million. Net sales of the Plastics Packaging segment increased $100.9 million, or 6.0%, over 1999, reflecting increased shipments of plastic containers for juices, closures for food and beverages, and the effects of higher resin costs on pass-through arrangements with customers, partially offset by lower shipments of household, health care, and personal care containers. The effects of higher resin costs increased sales by approximately $90 million compared to 1999.

Segment EBIT for 2000, excluding the 2000 and 1999 unusual items, decreased $31.8 million to $837.5 million, or 15.1% of net sales, from 1999 segment EBIT of $869.3 million, or 15.7% of net sales. Consolidated operating expense (consisting of selling and administrative, engineering, and research and development expenses) as a percentage of net sales was 6.5% in 2000 compared to 6.8% in 1999. EBIT of the Glass Containers segment increased $4.8 million, or .8%, to $587.2 million, compared to $582.4 million in 1999. The combined U.S. dollar EBIT of the segment's foreign affiliates increased from prior year. Increased shipments from the Company's operations throughout most of Europe, South America, and the Asia Pacific region, and a gain from the restructuring of the ownership in two small joint ventures in South America were partially offset by the effects of a strong U.S. dollar, higher energy costs worldwide, and expenses associated with the scheduled rebuild of a glass melting furnace in Australia. In the United States, Glass Container EBIT decreased from 1999 principally due to higher energy costs and conversions of juice and iced tea bottles from glass to plastic containers, partially offset by further improvements in cost structure. EBIT of the Plastics Packaging segment decreased $28.5 million, or 10.3%, to $249.2 million, compared to $277.7 million in 1999. Increased shipments of plastic containers for juices and closures for food and beverages were more than offset by lower shipments of household, health care, and personal care containers and costs incurred in connection with the start-up of new custom PET capacity, including a new plastic bottle plant.

Eliminations and other retained costs improved $17.5 million from 1999 principally due to higher net financial services income.

The 2000 results include pretax charges totaling $798.3 million ($513.1 million after tax and minority share owners' interests) for the following: (1) $550.0 million ($342.1 million after tax) related to adjustment of the reserve for estimated future asbestos-related costs; (2) $122.4 million ($77.3 million after tax and minority share owners' interests) related to the consolidation of manufacturing capacity; (3) a net charge of $52.4 million ($32.6 million after tax) related to early retirement incentives and special termination benefits for 350 United States salaried employees; (4) $40.0 million ($40.0 million after tax) related to the impairment of property, plant and equipment at the Company's facilities in India; and (5) $33.5 million ($21.1 million after tax and minority share owners' interests) related principally to the write-off of software and related development costs.

The 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.

COMPARISON OF 1999 WITH 1998

For the year ended December 31, 1999, the Company recorded earnings before extraordinary items of $299.1 million compared to $122.1 million for 1998. Net earnings of $298.3 million for 1999 and $108.0 million for 1998 reflect $.8 million and $14.1 million, respectively, of extraordinary charges from the early extinguishment of debt. Excluding the effects of unusual items for both 1999 and 1998 discussed in the table below, the Company's 1999 earnings before extraordinary items of $289.5 million decreased $12.0 million, or 4.0%, from 1998 earnings before extraordinary items of $301.5 million.

The 1999 results include the unusual items discussed above. The 1998 results include the following unusual items: (1) charges of $250.0 million ($154.4 million after tax) for the adjustment of the reserve for estimated future asbestos-related costs; (2) charges of $72.6 million ($47.4 million after tax and minority share owners' interests) for plant closings and restructuring costs at certain international affiliates; (3) a charge of $5.7 million ($3.5 million after tax) related to a loss on the sale of a discontinued operation by an equity investee; (4) charges of $0.9 million ($0.6 million after tax) for the settlement of environmental litigation and the reduction of previous established reserves; (5) a net gain of $18.5 million ($11.4 million after tax) related to the sale of a license agreement; and (6) a net gain of $15.1 million related to the adjustment of net deferred income tax liabilities as a result of a reduction in Italy's statutory income tax rate.

The year ended 1998 also includes charges which reduced earnings before extraordinary items by $31.5 million. Such charges relate principally to write-offs of certain assets associated with business conditions in emerging markets.

Consolidated EBIT, excluding both the 1999 and 1998 unusual items, was $875.2 million for 1999, an increase of $4.7 million, or 0.5%, compared to $870.5 million for 1998. The increase is attributable to higher EBIT for the Plastics Packaging segment, partially offset by lower EBIT in the Glass Containers segment. Results of both segments are discussed further below. Interest expense, net of interest income, increased $46.6 million in 1999 due principally to the financings related to the acquisition of the BTR glass and plastics packaging businesses. The $7.0 million decrease in minority share owners' interests in earnings of subsidiaries resulted from lower net earnings of certain foreign affiliates, principally the affiliate in Colombia. Exclusive of unusual items, the Company's effective tax rate for 1999 was 36.9% compared to a rate of 37.3% for 1998.

Capsule segment results (in millions of dollars) for 1999 and 1998 are as follows (a):

NET SALES TO UNAFFILIATED CUSTOMERS	1999	1998
Glass Containers	$3,762.6	$3,809.9
Plastics Packaging	1,686.7	1,414.5
Other	73.6	81.9
Segment and consolidated net sales	$5,522.9	$5,306.3

EBIT	1999	1998(c)
Glass Containers	$ 602.4(b)	$ 547.7
Plastics Packaging	277.7	227.9
Other	9.2	33.2
Segment EBIT	889.3	808.8
Eliminations and other retained costs (d)	5.9	(249.0)
Consolidated EBIT	$ 895.2	$ 559.8

(a) See Segment Information included on pages 50-53.

(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.

(c) Segment EBIT in 1998 includes the following unusual items: (1) charges of $72.6 million related principally to a plant closing in the United Kingdom and restructuring costs at certain international affiliates; (2) a loss of $5.7 million on the sale of a discontinued operation by an equity investee; and (3) a gain of $18.5 million related to the termination of a license agreement, net of charges for related equipment write-offs and capacity adjustments, under which the Company had produced plastic multipack carriers for beverage cans. These items increased (decreased) segment EBIT as follows: Glass Containers--$(78.3) million; Other--$18.5 million.

(d) Eliminations and other retained costs for 1998 include the following unusual items: (1) a charge of $250.0 million related to adjustment of the reserve for estimated future asbestos-related costs and (2) net charges of $0.9 million for the settlement of certain environmental litigation and the reduction of previously established reserves for guarantees of certain obligations of a previously divested business.

Consolidated net sales for 1999 increased $216.6 million, or 4.1%, over the prior year. Net sales of the Glass Containers segment decreased $47.3 million, or 1.2%, from 1998. The combined U.S. dollar sales of the segment's foreign affiliates were nearly equal to the prior year. Increased reported sales from the Asia Pacific glass container businesses acquired from BTR on April 30, 1998 (an increase of approximately $235 million from 1998 to 1999) were offset by weak economic conditions in markets served by the Company's operations in South America and Europe. The effect of changing foreign currency exchange rates reduced 1999 U.S. dollar sales of the segment's foreign affiliates by approximately $165 million. In the United States, increased unit shipments of glass containers for the beer industry partially offset the 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 $272.2 million, or 19.2%, over 1998, reflecting the plastics businesses acquired on April 30, 1998 from BTR (an increase of approximately $200 million from 1998 to 1999), and increased unit shipments from all business units.

Segment EBIT for 1999, excluding the 1999 and 1998 unusual items, increased $.7 million to $869.3 million, or 15.7% of net sales, from 1998 segment EBIT of $868.6 million, or 16.4% of net sales. Consolidated operating expense (consisting of selling and administrative, engineering, and research and development expenses) as a percentage of net sales was 6.8% in 1999 compared to 6.5% in 1998. EBIT of the Glass Containers segment, excluding the 1999 and 1998 unusual items, decreased $43.6 million to $582.4 million, compared to $626.0 million in 1998. EBIT of the Asia Pacific glass container businesses acquired from BTR on April 30, 1998 increased approximately $40 million from the eight months of 1998 to the full year of 1999. The contributions of the acquired businesses and gains on sales of non-strategic assets in Europe were more than offset by soft market conditions for most of the affiliates located in Europe and South America. The effect of changing foreign currency exchange rates reduced 1999 U.S. dollar EBIT, before unusual items, of the segment's foreign affiliates by approximately $15 million in comparison to 1998. In the United States, Glass Container EBIT increased from 1998 as a result of increased unit shipments of beer containers. The EBIT of the Plastics Packaging segment increased $49.8 million, or 21.5%, compared to 1998. Contributing to this increase were the plastics businesses acquired on April 30, 1998 from BTR (an increase of approximately $22 million from the eight months of 1998 to the full year of 1999), increased shipments of containers for health care and personal care products, food containers, closures and trigger pumps, and strong demand for prescription packaging, including the new 1-Clic(TM) prescription vial. The Other segment EBIT in 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.

Eliminations and other retained costs were $5.9 million for 1999, reflecting higher net financial services income, compared to $1.9 million for 1998, excluding the 1998 unusual items.

RESTRUCTURING AND CAPACITY REALIGNMENT PROGRAM

The 2000 operating results include a pretax charge of $248.3 million, principally related to a restructuring and capacity realignment program. The restructuring and capacity realignment program, initiated in the third quarter of 2000, includes the consolidation of manufacturing capacity and a reduction of 350 employees in the U.S. salaried work force, or about 10%, principally as a result of early retirement incentives. Also included in the charge are a write-down of plant and equipment for the Company's glass container affiliate in India and certain other asset write-offs, including $27.9 million for software which has been abandoned. Manufacturing capacity consolidations principally involve U.S. glass container facilities and reflect technology-driven improvements in productivity, conversions of some juice and similar products to plastic containers, Company and customer decisions regarding pricing and volume, and the further concentration of production in the most strategically-located facilities.

The Company expects the actions associated with the restructuring and capacity realignment program, including the orderly transition of production to other facilities, to be substantially completed by the first half of 2001. Cash expenditures associated with these actions, principally for severance, are expected to approximate $60 million, which does not include amounts funded from the Company's defined benefit pension plan. The majority of the cash expenditures related to these actions are expected to occur in the first quarter of 2001, with the remainder occurring throughout the year 2001. The remaining $190 million consists of non-cash charges principally for asset write-offs and reduction of the asset associated with the Company's defined benefit pension plans. Upon completion of the restructuring activities, the Company expects to realize EBIT improvement of approximately $50 million on an annualized basis.

The Company is contemplating further restructuring activities, including consolidation of manufacturing facilities and sales of non-core businesses and assets. As a result, additional unusual items may be recorded in 2001.

ASBESTOS-RELATED CHARGE

The asbestos-related pretax charge of $550.0 million was established to cover estimated indemnity payments and legal fees arising from outstanding asbestos personal injury lawsuits and claims and asbestos personal injury lawsuits and claims filed in the next several years, during which period the Company expects to receive the majority of the future asbestos-related lawsuits and claims that could involve the Company. The estimate is based on a comprehensive review of the Company's asbestos-related assets and liabilities completed during the third quarter of 2000. The estimate includes consideration of the negative impact of recent bankruptcy filings, particularly the most recent filing by Owens Corning and Fibreboard Corporation on October 5, 2000. The estimate does not include the possibility of partial relief in the form of tax or other legislation that could result in funds to compensate asbestos claimants.

A former business unit of the Company produced a minor amount of specialized high-temperature insulation material containing asbestos from 1948 until 1958, when the business was sold to Owens Corning. In line with its limited involvement with an asbestos-containing product and its exit from that business 43 years ago, the Company will continue to work aggressively to minimize the number of incoming cases and will continue to limit payments to only those impaired claimants who were exposed to the Company's products and whose claims have merit under applicable state law.

CAPITAL RESOURCES AND LIQUIDITY

The Company's total debt at December 31, 2000 was $5.85 billion, compared to $5.94 billion at December 31, 1999.

At December 31, 2000, 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 $597.8 million had not been utilized. At December 31, 1999, the Company had $565.3 million of credit which had not been utilized under the Bank Credit Agreement. The decreased utilization resulted from improved cash flow by certain international affiliates and the effects of exchange rates on the off-shore loans, partially offset by higher asbestos-related payments. Cash provided by operating activities was $364.8 million for 2000 compared to $563.0 million for 1999.

In early 2001, the Company began negotiations with the lenders under its Bank Credit Agreement to amend the agreement. Among other things, the amendment will extend the maturity to March 31, 2004 and will provide for an interest rate margin which will be 1.00 to 1.25 percentage points higher than the margin in effect under the current agreement. As of late March 2001, the Company had noncancelable commitments in excess of the amount of borrowings outstanding at December 31, 2000. The Company expects to finalize the amendment in April 2001.

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 is contemplating sales of non-core businesses and assets, the completion of which will provide additional cash. The Company faces additional demands upon its liquidity for asbestos-related payments. Based on the Company's expectations regarding future payments for lawsuits and claims and its expectation of the collection of its insurance coverage for partial 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.

The Company's Board of Directors has authorized the management of the Company to repurchase up to 20 million shares of the Company's common stock. During 2000, the Company repurchased 2,018,700 shares for $17.2 million. Since July 1999, the Company has repurchased 12,018,700 shares for $242.8 million. The Company intends to purchase its common stock from time to time on the open market depending on market conditions and other factors. 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 repurchases in addition to the obligations mentioned in the previous paragraph.

EXCESS OF PURCHASE COST OVER NET ASSETS ACQUIRED

The excess of purchase cost over net assets acquired, net of accumulated amortization ("goodwill") was $3.10 billion and $3.29 billion at December 31, 2000 and 1999, respectively. This represents 30% and 31% of total assets, and 165% and 140% of share owners' equity at December 31, 2000 and 1999, respectively. Goodwill represents the excess of purchase price and related costs over the fair values assigned to the net tangible and identifiable intangible assets of businesses acquired, and is amortized over 40 years. In assigning a benefit period to goodwill, the Company considers regulatory provisions, the technological environment in which the acquired company operates, including barriers to new competing entities, the maturity of the products manufactured by the businesses acquired, and the effects of obsolescence, demand, competition and other economic factors. The Company has determined that no events or circumstances occurred in 2000 to warrant revised estimates of the goodwill benefit period.

ITEM 7.(A). QUALITATIVE AND QUANTITATIVE DISCLOSURES ABOUT MARKET RISK

Market risks relating to the Company's operations result primarily from fluctuations in foreign currency exchange rates and changes in interest rates. The Company is not a party to any material derivative financial instruments.

FOREIGN CURRENCY EXCHANGE RATE RISK

A substantial portion of the Company's operations consists of manufacturing and sales activities conducted by affiliates in foreign jurisdictions. The primary foreign markets served by the Company's affiliates are in Australia, South America (principally Colombia, Brazil and Venezuela), and Europe (principally Italy, the United Kingdom, and Poland). In general, revenues earned and costs incurred by the Company's major foreign affiliates are denominated in their respective local currencies. Consequently, the Company's reported financial results could be affected by factors such as changes in foreign currency exchange rates or highly inflationary economic conditions in the foreign markets in which the Company's affiliates operate. When the U.S. dollar strengthens against foreign currencies, the reported dollar value of local currency EBIT generally decreases; when the U.S. dollar weakens against foreign currencies, the reported U.S. dollar value of local currency EBIT generally increases.

Subject to other business and tax considerations, the Company's strategy is to mitigate the economic effects of currency exchange rate fluctuations on that portion of foreign currency EBIT which is expected to be invested elsewhere or remitted to the parent company. The Company's foreign affiliates generally invest their excess funds in U.S. dollars or dollar-based instruments, where such instruments are available with acceptable interest rates and terms. In those countries where the local currency is the designated functional currency, however, this strategy exposes the Company to reported losses or gains in the event the foreign currency strengthens or weakens against the U.S. dollar. The Company believes that the benefit of investing excess cash in U.S. dollars or their equivalent outweighs the risk of reporting losses or gains from currency exchange rate fluctuations. In those countries with hyper-inflationary economies, where the U.S. dollar is the designated functional currency, this investment strategy for excess funds mitigates the risk of reported losses or gains.

Because most of the Company's foreign affiliates operate within their local economic environment, the Company believes it is appropriate to finance those operations with local currency borrowings to the extent practicable. Considerations which influence the amount of such borrowings include long- and short-term business plans, tax implications, and the availability of borrowings with acceptable interest rates and terms. In those countries where the local currency is the designated functional currency, this strategy mitigates the risk of reported losses or gains in the event the foreign currency strengthens or weakens against the U.S. dollar. In those countries where the U.S. dollar is the designated functional currency, however, local currency borrowings expose the Company to reported losses or gains in the event the foreign currency strengthens or weakens against the U.S. dollar.

The Company's Bank Credit Agreement provides for a $1.75 billion loan revolving facility which is available to certain of the Company's foreign subsidiaries and denominated in certain foreign currencies. As of December 31, 2000, amounts outstanding under the offshore loan revolving facility were as follows:

FOREIGN CURRENCY AMOUNT	MILLIONS OF U.S. DOLLARS
1.39 billion Australian dollars	$775.3
125.0 million British pounds	186.8
18.0 billion Italian lira	8.7
	$970.8

The remaining portion of the Company's consolidated debt which was denominated in foreign currencies was not significant.

The Company believes it does not have material foreign currency exchange rate risk related to the financial instruments (i.e. cash, short-term investments, and long-term debt) of its foreign affiliates.

INTEREST RATE RISK

The Company's interest expense is most sensitive to changes in the general level of U.S. interest rates applicable to its U.S. dollar indebtedness. To mitigate the impact of fluctuations in variable interest rates, the Company could, at its option, convert to fixed interest rates by either refinancing variable rate debt with fixed rate debt or entering into interest rate swaps.

The following table provides information about the Company's significant interest rate risk at December 31, 2000.

	OUTSTANDING	FAIR VALUE
	(MILLIONS OF DOLLARS)	
Variable rate debt:		
Bank Credit Agreement, matures December 2001:		
Revolving Loans and Bid Rate Loans, interest at a Eurodollar based rate plus .75%	$2,857.0	$2,857.0
Offshore Loans, interest at the applicable Offshore Base Rate (as defined in the Bank Credit Agreement) as follows:		
1.39 billion Australian dollars--7.15%	$ 775.3	$ 775.3
125.0 million British pounds--6.93%	$ 186.8	$ 186.8
18.0 billion Italian lira--5.77%	$ 8.7	$ 8.7
Fixed rate debt:		
Senior Notes:		
7.85%, due 2004	$ 300.0	$ 179.3
7.15%, due 2005	$ 350.0	$ 195.1
8.10%, due 2007	$ 300.0	$ 161.3
7.35%, due 2008	$ 250.0	$ 131.9
Senior Debentures:		
7.50%, due 2010	$ 250.0	$ 129.4
7.80%, due 2018	$ 250.0	$ 114.4

FORWARD LOOKING STATEMENTS

This document may contain "forward looking" statements as defined in the Private Securities Litigation Reform Act of 1995. Forward looking statements reflect the Company's best assessment at the time, and thus involve uncertainty and risk. It is possible the Company's future financial performance may differ from expectations due to a variety of factors including, but not limited to the following: (1) foreign currency fluctuations relative to the U.S. dollar, (2) change in capital availability or cost, including interest rate fluctuations, (3) the general political, economic and competitive conditions in markets and countries where the Company has operations, including competitive pricing pressures, inflation or deflation, and changes in tax rates, (4) consumer preferences for alternative forms of packaging, (5) fluctuations in raw material and labor costs, (6) availability of raw materials, (7) costs and availability of energy, (8) transportation costs, (9) consolidation among competitors and customers, (10) the ability of the Company to integrate operations of acquired businesses, (11) the performance by customers of their obligations under purchase agreements, and (12) the timing and occurrence of events which are beyond the control of the Company. It is not possible to foresee or identify all such factors. Any forward looking statements in this document are based on certain assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions, expected future developments, and other factors it believes are appropriate in the circumstances. Forward looking statements are not a guarantee of future performance and actual results or developments may differ materially from expectations. While the Company continually reviews trends and uncertainties affecting the Company's results of operations and financial condition, the Company does not intend to update any particular forward looking statements contained in this document.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Share Owners
Owens-Illinois, Inc.

We have audited the accompanying consolidated balance sheets of Owens-Illinois, Inc. as of December 31, 2000 and 1999, and the related consolidated statements of results of operations, share owners' equity, and cash flows for each of the three years in the period ended December 31, 2000. Our audits also included the financial statement schedule listed in the Index at Item 14.(a). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Owens-Illinois, Inc. at December 31, 2000 and 1999, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2000, in conformity with accounting principles generally accepted in the United States. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

Ernst & Young LLP

Toledo, Ohio
January 26, 2001
except for information in the sections
entitled "Long-Term Debt" on
pages 37 - 38 and "Subsequent Event"
on page 50, as to which
the date is March 29, 2001.

OWENS-ILLINOIS, INC.

CONSOLIDATED RESULTS OF OPERATIONS

	YEARS ENDED DECEMBER 31, 2000	1999	1998
	(MILLIONS OF DOLLARS, EXCEPT PER SHARE AMOUNTS)		
Revenues:			
Net sales	$5,552.1	$5,522.9	$5,306.3
Royalties and net technical assistance	25.3	30.3	26.6
Equity earnings	19.8	22.3	16.0
Interest	32.5	28.5	29.2
Other	185.1	182.7	121.2
	5,814.8	5,786.7	5,499.3
Costs and expenses:			
Manufacturing, shipping, and delivery	4,359.1	4,296.4	4,075.6
Research and development	46.7	37.5	36.4
Engineering	31.3	42.2	34.8
Selling and administrative	285.1	295.6	274.2
Interest	486.7	425.9	380.0
Other	997.5	191.3	489.3
	6,206.4	5,288.9	5,290.3
Earnings (loss) before items below	(391.6)	497.8	209.0
Provision (credit) for income taxes	(143.9)	185.5	66.7
	(247.7)	312.3	142.3
Minority share owners' interests in earnings of subsidiaries	22.0	13.2	20.2
Earnings (loss) before extraordinary items	(269.7)	299.1	122.1
Extraordinary charges from early extinguishment of debt, net of applicable income taxes	--	(0.8)	(14.1)
Net earnings (loss)	$ (269.7)	$ 298.3	$ 108.0
Basic earnings (loss) per share of common stock:			
Earnings (loss) before extraordinary items	$ (2.00)	$ 1.80	$ 0.71
Extraordinary charges		(0.01)	(0.09)
Net earnings (loss)	$ (2.00)	$ 1.79	$ 0.62
Diluted earnings (loss) per share of common stock:			
Earnings (loss) before extraordinary items	$ (2.00)	$ 1.79	$ 0.71
Extraordinary charges		(0.01)	(0.09)
Net earnings (loss)	$ (2.00)	$ 1.78	$ 0.62

See accompanying Statement of Significant Accounting Policies and Financial Review.

OWENS-ILLINOIS, INC.
CONSOLIDATED BALANCE SHEETS

	December 31, 2000	December 31, 1999
	(MILLIONS OF DOLLARS)	
ASSETS		
CURRENT ASSETS:		
Cash, including time deposits of $61.2 ($113.4 in 1999)	$ 229.7	$ 257.1
Short-term investments	19.7	32.1
Receivables, less allowances of $69.9 ($56.9 in 1999) for losses and discounts	770.9	856.4
Inventories	862.4	826.6
Prepaid expenses	199.0	137.6
Total current assets	2,081.7	2,109.8
OTHER ASSETS:		
Equity investments	181.4	195.2
Repair parts inventories	232.0	234.1
Prepaid pension	770.9	745.6
Insurance receivable for asbestos-related costs	200.7	205.3
Deposits, receivables, and other assets	490.6	527.8
Excess of purchase cost over net assets acquired, net of accumulated amortization of $597.7 ($502.8 in 1999)	3,101.0	3,294.4
Total other assets	4,976.6	5,202.4
PROPERTY, PLANT, AND EQUIPMENT:		
Land, at cost	165.1	163.8
Buildings and equipment, at cost:		
Buildings and building equipment	817.1	813.6
Factory machinery and equipment	4,301.0	4,121.6
Transportation, office, and miscellaneous equipment	134.5	156.0
Construction in progress	244.7	335.8
	5,662.4	5,590.8
Less accumulated depreciation	2,377.5	2,146.7
Net property, plant, and equipment	3,284.9	3,444.1
Total assets	$10,343.2	$10,756.3

OWENS-ILLINOIS, INC.
CONSOLIDATED BALANCE SHEETS

	DECEMBER 31, 2000	DECEMBER 31, 1999
	(MILLIONS OF DOLLARS)	
LIABILITIES AND SHARE OWNERS' EQUITY		
CURRENT LIABILITIES:		
Short-term loans	$ 89.2	$ 128.9
Accounts payable	522.7	520.1
Salaries and wages	83.8	95.0
U.S. and foreign income taxes	21.4	26.5
Current portion of asbestos-related liabilities	180.0	85.0
Other accrued liabilities	390.1	340.8
Long-term debt due within one year	30.8	76.8
Total current liabilities	1,318.0	1,273.1
LONG-TERM DEBT	5,729.8	5,733.1
DEFERRED TAXES	218.2	407.4
NONPENSION POSTRETIREMENT BENEFITS	296.1	314.9
OTHER LIABILITIES	360.5	391.8
ASBESTOS-RELATED LIABILITIES	364.7	91.2
COMMITMENTS AND CONTINGENCIES		
MINORITY SHARE OWNERS' INTERESTS	172.9	194.9
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
Exchangeable preferred stock	3.4	4.0
Common stock, par value $.01 per share, 250,000,000 shares authorized, 156,973,143 shares issued and outstanding, less 12,018,700 treasury shares at December 31, 2000 (156,851,337 issued and outstanding, less 10,000,000 treasury shares at December 31, 1999)	1.6	1.6
Capital in excess of par value	2,205.1	2,201.9
Treasury stock, at cost	(242.8)	(225.6)
Retained earnings (deficit)	(30.4)	284.1
Accumulated other comprehensive income (loss)	(506.4)	(368.6)
Total share owners' equity	1,883.0	2,349.9
Total liabilities and share owners' equity	$10,343.2	$10,756.3

See accompanying Statement of Significant Accounting Policies and Financial Review.

OWENS-ILLINOIS, INC.
CONSOLIDATED SHARE OWNERS' EQUITY

	YEARS ENDED DECEMBER 31, 2000	1999	1998
	(MILLIONS OF DOLLARS, EXCEPT PER SHARE AMOUNTS)		
CONVERTIBLE PREFERRED STOCK			
Balance at beginning of year	$ 452.5	$ 452.5	
Issuance of convertible preferred stock			$ 452.5
Balance at end of year	452.5	452.5	452.5
EXCHANGEABLE PREFERRED STOCK			
Balance at beginning of year	4.0	18.3	20.4
Exchange of preferred stock for common stock	(0.6)	(14.3)	(2.1)
Balance at end of year	3.4	4.0	18.3
COMMON STOCK			
Balance at beginning of year	1.6	1.5	1.4
Issuance of common stock			0.1
Exchange of preferred stock for common stock		0.1	
Balance at end of year	1.6	1.6	1.5
CAPITAL IN EXCESS OF PAR VALUE			
Balance at beginning of year	2,201.9	2,183.1	1,558.4
Issuance of common stock	2.6	4.6	622.6
Exchange of preferred stock for common stock	0.6	14.2	2.1
Balance at end of year	2,205.1	2,201.9	2,183.1
TREASURY STOCK			
Balance at beginning of year	(225.6)		
Repurchases of common stock	(17.2)	(225.6)	
Balance at end of year	(242.8)	(225.6)	
RETAINED EARNINGS (DEFICIT)			
Balance at beginning of year	284.1	7.3	(90.3)
Cash dividends on convertible preferred stock--$2.375 per share ($1.15 per share in 1998)	(21.5)	(21.5)	(10.4)
Net earnings (loss)	(269.7)	298.3	108.0
Net loss for the month ended December 31, 2000 for the change in the fiscal year end of certain international affiliates	(23.3)		
Balance at end of year	(30.4)	284.1	7.3
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)			
Balance at beginning of year	(368.6)	(190.7)	(148.0)
Foreign currency translation adjustments	(137.8)	(177.9)	(42.7)
Balance at end of year	(506.4)	(368.6)	(190.7)
Total share owners' equity	$1,883.0	$2,349.9	$2,472.0
TOTAL COMPREHENSIVE INCOME (LOSS)			
Net earnings (loss)	(269.7)	298.3	108.0
Foreign currency translation adjustments	(137.8)	(177.9)	(42.7)
Total	$ (407.5)	$ 120.4	$ 65.3

See accompanying Statement of Significant Accounting Policies and Financial Review.

OWENS-ILLINOIS, INC.
CONSOLIDATED CASH FLOWS

	YEAR ENDED DECEMBER 31, 2000	1999	1998
	(MILLIONS OF DOLLARS)		
OPERATING ACTIVITIES:			
Earnings (loss) before extraordinary items	$(269.7)	$299.1	$ 122.1
Non-cash charges (credits):			
Depreciation	412.6	403.7	358.5
Amortization of deferred costs	136.9	141.6	105.4
Deferred tax provision (credit)	(243.8)	110.8	(17.4)
Restructuring costs, writeoffs of certain assets and settlement of environmental litigation	248.3	20.8	114.6
Gains on asset sales		(40.8)	(18.5)
Future asbestos-related costs	550.0		250.0
Other	(104.9)	(69.8)	(19.8)
Change in non-current operating assets	(43.0)	(47.1)	(36.9)
Asbestos-related payments	(181.5)	(121.8)	(96.1)
Asbestos-related insurance proceeds	4.6	7.5	26.5
Reduction of non-current liabilities	(28.4)	(18.6)	(5.0)
Change in components of working capital	(116.3)	(122.4)	(136.1)
Cash provided by operating activities	364.8	563.0	647.3
INVESTING ACTIVITIES:			
Additions to property, plant and equipment	(481.4)	(650.4)	(573.5)
Acquisitions, net of cash acquired	(77.1)	(34.0)	(3,700.2)
Net cash proceeds from divestitures and other	94.4	337.1	41.1
Cash utilized in investing activities	(464.1)	(347.3)	(4,232.6)
FINANCING ACTIVITIES:			
Additions to long-term debt	619.2	617.0	5,232.5
Repayments of long-term debt	(516.2)	(567.1)	(2,659.8)
Increase (decrease) in short-term loans	(43.8)	(19.6)	61.3
Treasury shares purchased	(17.2)	(225.6)	
Payment of convertible preferred stock dividends	(21.5)	(21.5)	(10.4)
Issuance of common stock	2.6	4.6	641.1
Payment of finance fees and debt retirement costs		(1.0)	(61.7)
Issuance of convertible preferred stock			439.6
Cash provided by (utilized in) financing activities	23.1	(213.2)	3,642.6
Effect of exchange rate fluctuations on cash	15.6	(16.8)	(4.1)
Effect of change in fiscal year end for certain international affiliates	33.2		
Increase (decrease) in cash	(27.4)	(14.3)	53.2
Cash at beginning of year	257.1	271.4	218.2
Cash at end of year	$ 229.7	$257.1	$ 271.4

See accompanying Statement of Significant Accounting Policies and Financial Review.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF CONSOLIDATED STATEMENTS. The consolidated financial statements of Owens-Illinois, Inc. ("Company") include the accounts of its subsidiaries. Newly acquired subsidiaries have been included in the consolidated financial statements from dates of acquisition. Prior to December 2000, substantially all of the Company's consolidated foreign subsidiaries reported their results of operations on a one-month lag, which allowed additional time to compile the results. Beginning in December 2000, the one-month lag was eliminated. As a result, the December 2000 results of operations for these subsidiaries, which amounted to a net loss of $23.3 million, was recorded directly to retained earnings in December 2000.

The Company uses the equity method of accounting for investments in which it has a significant ownership interest, generally 20% to 50%. Other investments are accounted for at cost.

NATURE OF OPERATIONS. The Company is a leading manufacturer of glass container and plastics packaging products operating in two product segments. The Company's principal product lines in the Glass Containers product segment are glass containers for the food and beverage industries. Sales of the Glass Containers product segment were 67% of the Company's 2000 consolidated sales. The Company has glass container operations located in 19 countries, while the plastics packaging products operations are located in 11 countries. The principal markets and operations for the Company's glass products are in the United States, Europe, South America, and Australia. The Company's principal product lines in the Plastics Packaging product segment include plastic containers, plastic closures, and plastic prescription containers. Major markets for the Company's plastics packaging products include the United States household products, personal care products, health care products, and food and beverage industries.

USE OF ESTIMATES. The preparation of financial statements in conformity with generally accepted accounting principles requires management of the Company to make estimates and assumptions that affect certain amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates, at which time the Company would revise its estimates accordingly. For further information on certain of the Company's significant estimates, see Contingencies on pages 48-50.

CASH. The Company defines "cash" as cash and time deposits with maturities of three months or less when purchased.

FAIR VALUES OF FINANCIAL INSTRUMENTS. The carrying amounts reported for cash, short-term investments and short-term loans approximate fair value. In addition, carrying amounts approximate fair value for certain long-term debt obligations subject to frequently redetermined interest rates. Fair values for the Company's significant fixed rate debt obligations are generally based on published market quotations. The Company is not a party to any material derivative financial instruments.

INVENTORY VALUATION. The Company values most U.S. inventories at the lower of last-in, first-out (LIFO) cost or market. Other inventories are valued at the lower of standard costs (which approximate average costs), average costs, or market.

EXCESS OF PURCHASE COST OF NET ASSETS ACQUIRED. The excess of purchase cost over net assets acquired is being amortized over 40 years. The Company evaluates the recoverability of long-lived assets based on undiscounted projected cash flows, excluding interest and taxes, when factors indicate that an impairment may exist.

PROPERTY, PLANT, AND EQUIPMENT. In general, depreciation is computed using the straight-line method. Renewals and improvements are capitalized. Maintenance and repairs are expensed as incurred.

REVENUE RECOGNITION. The Company recognizes sales upon the shipment of its products. Shipping and handling costs are included with manufacturing, shipping, and delivery costs.

INCOME TAXES ON UNDISTRIBUTED EARNINGS. In general, the Company plans to continue to invest in the business the undistributed earnings of foreign subsidiaries and foreign corporate joint ventures accounted for by the equity method. Accordingly, taxes are provided only on that amount of undistributed earnings in excess of planned reinvestments.

FOREIGN CURRENCY TRANSLATION. The assets and liabilities of certain affiliates and associates are translated at current exchange rates and any related translation adjustments are recorded directly in share owners' equity. The Company's affiliates located in Venezuela operate in "highly inflationary" economies. In such cases, certain assets of these affiliates are translated at historical exchange rates and all translation adjustments are reflected in the statements of Consolidated Results of Operations.

NEW ACCOUNTING STANDARDS

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (SFAS) No. 133, "Accounting for Derivative Instruments and Hedging Activities" (as amended by Statements Nos. 137 and 138), which is effective for financial statements for fiscal years beginning after June 15, 2000. SFAS No. 133 establishes accounting and reporting standards for derivative instruments and for hedging activities. It requires that all derivative instruments be recognized as either assets or liabilities in the statement of financial position and that such instruments be measured at fair value. The impact of SFAS No. 133 on the Company's reporting and disclosure of derivative instruments is not expected to be material to the Company's financial position or results of operations.

TABULAR DATA IN MILLIONS OF DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS

EARNINGS PER SHARE. The following table sets forth the computation of basic and diluted earnings per share:

YEARS ENDED DECEMBER 31	2000	1999	1998
Numerator:			
Earnings (loss) before extraordinary items	$ (269.7)	$ 299.1	$ 122.1
Preferred stock dividends:			
Convertible	(21.5)	(21.5)	(13.1)
Exchangeable	(0.2)	(0.8)	(1.4)
Numerator for basic earnings (loss) per share--income (loss) available to common share owners	(291.4)	276.8	107.6
Effect of dilutive securities--preferred stock dividends		0.8	
Numerator for diluted earnings (loss) per share--income (loss) available to common share owners after assumed exchanges of preferred stock for common stock	$ (291.4)	$ 227.6	$ 107.6
Denominator:			
Denominator for basic earnings (loss) per share--weighted average shares outstanding	145,983,475	153,803,732	149,970,468
Effect of dilutive securities:			
Stock options and other		649,766	973,096
Exchangeable preferred stock		755,804	
Dilutive potential common shares		1,405,570	973,096
Denominator for diluted earnings (loss) per share--adjusted weighted average shares and assumed exchanges of preferred stock for common stock	145,983,475	155,209,302	150,943,564
Basic earnings (loss) per share	$ (2.00)	$ 1.80	$ 0.71
Diluted earnings (loss) per share	$ (2.00)	$ 1.79	$ 0.71

See "Convertible Preferred Stock" and "Exchangeable Preferred Stock" on page 42 for additional information.

For the year ended December 31, 2000, diluted earnings per share of common stock are equal to basic earnings per share of common stock due to the net loss. The convertible preferred stock was not included in the computation of 1999 and 1998 diluted earnings per share since the result would have been antidilutive. The exchangeable preferred stock was not included in the computation of 1998 diluted earnings per share since the result would have been antidilutive. Options to purchase 3,357,449 and 1,160,667 weighted average shares of common stock which were outstanding during 1999 and 1998, respectively, were not included in the computation of diluted earnings per share because the options' exercise prices were greater than the average market price of the common shares.

CHANGES IN COMPONENTS OF WORKING CAPITAL RELATED TO OPERATIONS. Changes in the components of working capital related to operations (net of the effects related to acquisitions and divestitures) were as follows:

	2000	1999	1998
Decrease (increase) in current assets:			
Short-term investments	$ 10.4	$ (14.9)	$ (6.4)
Receivables	(43.9)	(50.2)	(18.2)
Inventories	(50.9)	(46.9)	(69.7)
Prepaid expenses	0.8	4.4	(29.8)
Increase (decrease) in current liabilities:			
Accounts payable and accrued liabilities	(47.1)	(29.2)	(37.8)
Salaries and wages	(5.0)	3.2	7.5
U.S. and foreign income taxes	19.4	11.2	18.3
	$(116.3)	$(122.4)	$(136.1)

INVENTORIES. Major classes of inventory are as follows:

	2000	1999
Finished goods	$609.0	$580.0
Work in process	54.6	36.3
Raw materials	130.6	131.3
Operating supplies	68.2	79.0
	$862.4	$826.6

If the inventories which are valued on the LIFO method had been valued at standard or average costs, which approximate current costs, consolidated inventories would be higher than reported by $23.0 million and $17.7 million at December 31, 2000 and 1999, respectively.

Inventories which are valued at the lower of standard costs (which approximate average costs), average costs, or market at December 31, 2000 and 1999 were approximately $455.4 and $454.3 million, respectively.

EQUITY INVESTMENTS. Summarized information pertaining to the Company's equity associates follows:

	2000	1999
At end of year:		
Equity in undistributed earnings:		
Foreign	$ 89.3	$ 85.4
Domestic	19.0	17.3
Total	$108.3	$102.7
Equity in cumulative translation adjustment	$(46.7)	$(38.7)

	2000	1999	1998
For the year:			
Equity in earnings:			
Foreign	$ 5.8	$ 9.5	$ 6.9
Domestic	14.0	12.8	9.1
Total	$19.8	$22.3	$16.0
Dividends received	$14.5	$10.1	$ 6.6

LONG-TERM DEBT. The following table summarizes the long-term debt of the Company at December 31, 2000 and 1999:

	2000	1999
Bank Credit Agreement:		
Revolving Credit Facility:		
Revolving Loans	$2,857.0	$2,559.4
Offshore Loans:		
1.39 billion (1.42 billion in 1999) Australian dollars	775.3	904.4
125.0 million (230.0 million in 1999) British pounds	186.8	369.5
18.0 billion (100.0 billion in 1999) Italian lira	8.7	52.0
Senior Notes:		
7.85%, due 2004	300.0	300.0
7.15%, due 2005	350.0	350.0
8.10%, due 2007	300.0	300.0
7.35%, due 2008	250.0	250.0
Senior Debentures:		
7.50%, due 2010	250.0	250.0
7.80%, due 2018	250.0	250.0
Other	232.8	224.6
	5,760.6	5,809.9
Less amounts due within one year	30.8	76.8
Long-term debt	$5,729.8	$5,733.1

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 $50 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 December 31, 2000, the Company had unused credit of $597.8 million available under the Bank Credit Agreement.

The interest rate on borrowings under the Revolving Loans commitment is, at the Company's option, the prime rate or a reserve adjusted Eurodollar rate. The interest rate on loans under the Offshore Facility is, at the applicable borrower's option, the applicable Offshore Base Rate or the Adjusted Offshore Periodic Rate (as those terms are defined in the Bank Credit Agreement). The interest rate on borrowings under the Revolving Credit Facility also includes a margin linked to the Company's Consolidated Leverage Ratio, as defined in the Agreement. The margin is currently .750% and is limited to a range of .275% to 1.000%. The interest rate on Overdraft Account loans is 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 December 31, 2000 was 7.46%. The weighted average interest rate on borrowings outstanding under the Offshore Facility at December 31, 2000, was 7.10%. 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 .375%, 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. At December 31, 2000, the maximum remaining allowable amount of such payments was $115.7 million. 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.

The Company intends to amend the Bank Credit Agreement to, among other things, extend its maturity to March 31, 2004. As of late March 2001, the Company had noncancelable commitments in excess of the amount of borrowings outstanding at December 31, 2000. The Company expects to finalize the amendment in April 2001. As such, the Company has classified the debt associated with the Agreement as long-term.

Annual maturities for all of the Company's long-term debt through 2005 are as follows: 2001, $30.8 million; 2002, $65.8 million; 2003, $23.7 million; 2004, $4,155.5 million; and 2005, $420.8 million. These maturities reflect the Company's intention to amend the Bank Credit Agreement in order to extend the maturity of the Agreement from December 31, 2001 to March 31, 2004.

Interest paid in cash aggregated $467.6 million for 2000, $388.1 million for 1999, and $326.6 million for 1998.

Fair values at December 31, 2000, of the Company's significant fixed rate debt obligations are as follows:

	PRINCIPAL AMOUNT (MILLIONS OF DOLLARS)	INDICATED MARKET PRICE	FAIR VALUE (MILLIONS OF DOLLARS)
Senior Notes:			
7.85%	$300.0	$59.75	$179.3
7.15%	350.0	55.75	195.1
8.10%	300.0	53.75	161.3
7.35%	250.0	52.75	131.9
Senior Debentures:			
7.50%	250.0	51.75	129.4
7.80%	250.0	45.75	114.4

OPERATING LEASES. Rent expense attributable to all operating leases was $77.8 million in 2000, $73.7 million in 1999, and $68.5 million in 1998. Minimum future rentals under operating leases are as follows: 2001, $49.9 million; 2002, $43.2 million; 2003, $37.2 million; 2004, $32.7 million; 2005, $27.3 million; and 2006 and thereafter, $39.5 million.

FOREIGN CURRENCY TRANSLATION. Aggregate foreign currency exchange gains (losses) included in other costs and expenses were $(1.0) million in 2000, $4.9 million in 1999, and $(2.8) million in 1998.

ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS). Foreign currency translation adjustments comprise accumulated other comprehensive income (loss). Changes in the cumulative foreign currency translation adjustments were as follows:

	2000	1999	1998
Balance at beginning of year	$(368.6)	$(190.7)	$(148.0)
Net effect of exchange rate fluctuations	(140.6)	(175.8)	(45.1)
Deferred income taxes	2.8	(2.1)	2.4
Balance at end of year	$(506.4)	$(368.6)	$(190.7)

The net effect of exchange rate fluctuations generally reflects changes in the relative strength of the U.S. dollar against major foreign currencies between the beginning and end of the year.

INCOME TAXES. Deferred income taxes reflect: (1) the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes and (2) carryovers and credits for income tax purposes. Certain amounts from 1999 have been reclassed to conform to current year presentation. Significant components of the Company's deferred tax assets and liabilities at December 31, 2000 and 1999 are as follows:

	2000	1999
Deferred tax assets:		
Accrued postretirement benefits	$103.6	$ 110.2
Asbestos-related liabilities	190.6	61.7
U.S. federal tax loss carryovers	121.1	68.1
Alternative minimum tax credits	23.6	23.7
Other	324.9	228.6
Total deferred tax assets	763.8	492.3
Deferred tax liabilities:		
Property, plant and equipment	262.8	302.0
Prepaid pension costs	254.1	252.1
Insurance for asbestos-related costs	70.3	67.4
Inventory	42.3	34.2
Other	183.5	141.3
Total deferred tax liabilities	813.0	797.0
Net deferred tax liabilities	$(49.2)	$(304.7)

Deferred taxes are included in the Consolidated Balance Sheets at December 31, 2000 and 1999 as follows:

	2000	1999
Prepaid expenses	$169.0	$ 102.7
Deferred tax liabilities	(218.2)	(407.4)
Net deferred tax liabilities	$(49.2)	$(304.7)

The provision (benefit) for income taxes consists of the following:

	2000	1999	1998
Current:			
U.S. Federal	$ 0.8	$ 3.8	$ 4.0
State	2.1	2.9	3.6
Foreign	97.0	68.0	76.5
	99.9	74.7	84.1
Deferred:			
U.S. Federal	(167.4)	111.1	23.4
State	(32.9)	11.4	(2.7)
Foreign	(43.5)	(11.7)	(38.1)
	(243.8)	110.8	(17.4)
Total:			
U.S. Federal	(166.6)	114.9	27.4
State	(30.8)	14.3	0.9
Foreign	53.5	56.3	38.4
	$(143.9)	$185.5	$ 66.7

The provision for income taxes was calculated based on the following components of earnings (loss) before income taxes:

	2000	1999	1998
Domestic	$(566.0)	$320.9	$ 40.2
Foreign	174.4	176.9	168.8
	$(391.6)	$497.8	$209.0

Income taxes paid (received) in cash were as follows:

	2000	1999	1998
Domestic	$(0.7)	$11.0	$ 7.3
Foreign	46.4	51.5	54.7
	$45.7	$62.5	$62.0

A reconciliation of the provision (benefit) for income taxes based on the statutory U.S. Federal tax rate of 35% to the provision for income taxes is as follows (certain amounts for the 1999 and 1998 presentations have been reclassified to conform to the 2000 presentation):

	2000	1999	1998
Pretax earnings at statutory U.S. Federal tax rate	$(137.1)	$174.2	$73.1
Increase (decrease) in provision for income taxes due to:			
Amortization of goodwill	33.0	33.1	24.8
State taxes, net of federal benefit	(19.5)	9.3	0.6
Foreign earnings at different rates	(7.8)	(11.7)	(6.4)
Research and development credits	(2.0)	(1.8)	(1.5)
Adjustment for non-U.S. tax law changes	(9.3)	(15.1)	
Other items	(1.2)	(17.6)	(8.8)
Provision (credit) for income taxes	$(143.9)	$185.5	$66.7
Effective tax rate	36.7%	37.3%	31.9%

For U.S. Federal income tax purposes, approximately $346.1 million of net operating loss is available as a carryover at December 31, 2000. Carryovers of the net operating loss expire beginning in 2007.

Alternative minimum tax credits and research and development credits of approximately $24 million and $13 million, respectively, are available to offset future U.S. Federal income tax. The alternative minimum tax credits do not expire while carryovers of the research and development credits expire beginning in 2007.

At December 31, 2000, the Company's equity in the undistributed earnings of foreign subsidiaries for which income taxes had not been provided approximated $790.2 million. It is not practicable to estimate the U.S. and foreign tax which would be payable should these earnings be distributed.

CONVERTIBLE PREFERRED STOCK. Annual cumulative dividends of $2.375 per share accruing from the date of issuance are payable in cash quarterly commencing August 15, 1998. The convertible preferred stock is convertible at the option of the holder at any time, unless previously redeemed, into shares of common stock of the Company at an initial conversion rate of 0.9491 shares of common stock for each share of convertible stock, subject to adjustment based on certain events. The convertible preferred stock may not be redeemed prior to May 15, 2001. At any time on or after such date, the convertible preferred stock may be redeemed only in shares of common stock of the Company at the option of the Company at predetermined redemption prices plus accrued and unpaid dividends, if any, to the redemption date.

Holders of the convertible preferred stock have no voting rights, except as required by applicable law and except that among other things, whenever accrued and unpaid dividends on the convertible preferred stock are equal to or exceed the equivalent of six quarterly dividends payable on the convertible preferred stock such holders will be entitled to elect two directors to the Company's board of directors until the dividend arrearage has been paid or amounts have been set apart for such payment. In addition, certain changes that would be materially adverse to the rights of holders of the convertible preferred stock cannot be made without the vote of holders of two-thirds of the outstanding convertible preferred stock. The convertible preferred stock is senior to the common stock and the exchangeable preferred stock with respect to dividends and liquidation events.

EXCHANGEABLE PREFERRED STOCK. All remaining exchangeable preferred stock was exchanged in January 2001.

STOCK OPTIONS. The Company has three nonqualified stock option plans: (1) 1991 Stock Option Plan for Key Employees of Owens-Illinois, Inc.; (2) 1994 Stock Option Plan for Directors of Owens-Illinois, Inc. and (3) 1997 Equity Participation Plan of Owens-Illinois, Inc. No options may be exercised in whole or in part during the first year after the date granted. In general, subject to accelerated exercisability provisions related to the performance of the Company's common stock or change of control, 50% of the options become exercisable on the fifth anniversary of the date of the option grant, with the remaining 50% becoming exercisable on the sixth anniversary date of the option grant. In general, options expire following termination of employment or the day after the tenth anniversary date of the option grant.

All options have been granted at prices equal to the market price of the Company's common stock on the date granted. Accordingly, the Company recognizes no compensation expense related to the stock option plans. The Company has adopted the disclosure-only provisions of Statement of Financial Accounting Standards (SFAS) No. 123, "Accounting for Stock-Based Compensation." If the Company had elected to recognize compensation cost based on the fair value of the options granted at grant date as allowed by SFAS No. 123, pro forma net income and earnings per share would have been as follows:

	2000	1999	1998
Net income (loss):			
As reported	$(269.7)	$298.3	$108.0
Pro forma	(277.7)	291.4	103.6
Basic earnings (loss) per share:			
As reported	(2.00)	1.79	0.62
Pro forma	(2.05)	1.75	0.59
Diluted earnings (loss) per share:			
As reported	(2.00)	1.78	0.62
Pro forma	(2.05)	1.74	0.59

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

	2000	1999	1998
Expected life of options	5 years	5 years	5 years
Expected stock price volatility	62.9%	36.5%	31.9%
Risk-free interest rate	6.60%	5.10%	5.70%
Expected dividend yield	0.00%	0.00%	0.00%

Stock option activity is as follows:

	NUMBER OF SHARES	WEIGHTED AVERAGE EXERCISE PRICE	WEIGHTED AVERAGE FAIR VALUE
Options outstanding at December 31, 1997	3,341,775	$19.35	
Granted	1,788,550	39.74	$15.31
Exercised	(317,131)	13.44	
Cancelled	(29,437)	25.39	
Options outstanding at December 31, 1998	4,783,757	27.33	
Granted	1,786,510	23.94	$ 9.68
Exercised	(157,420)	8.15	
Cancelled	(91,813)	33.31	
Options outstanding at December 31, 1999	6,321,034	26.76	
Granted	1,778,190	13.50	$ 8.01
Exercised	(10,350)	12.18	
Cancelled	(218,435)	27.61	
Options outstanding at December 31, 2000	7,870,439	$23.76	
Options exercisable at:			
December 31, 2000	1,949,726	$16.03	
December 31, 1999	1,992,136	$15.89	
December 31, 1998	2,158,646	$15.37	
Shares available for option grant at:			
December 31, 2000	4,585,996		
December 31, 1999	6,217,087		
December 31, 1998	8,376,652		

The following table summarizes significant option groups outstanding at December 31, 2000, and related weighted average price and life information:

RANGE OF EXERCISE PRICES	OPTIONS OUTSTANDING			OPTIONS EXERCISABLE	
	OPTIONS OUTSTANDING	WEIGHTED AVERAGE REMAINING CONTRACTUAL LIFE (IN YEARS)	WEIGHTED AVERAGE EXERCISE PRICE	OPTIONS EXERCISABLE	WEIGHTED AVERAGE EXERCISE PRICE
$ 7.50 to $16.50	3,405,712	6.5	$13.28	1,642,722	$13.04
$23.94 to $31.63	2,769,560	7.6	$26.91	274,437	$31.46
$31.64 to $41.50	1,695,167	7.4	$39.67	32,567	$36.98
	7,870,439			1,949,726	

PENSION BENEFIT PLANS. Net credits to results of operations for all of the Company's pension plans and certain deferred compensation arrangements amounted to $88.6 million in 2000, $58.6 million in 1999, and $52.1 million in 1998.

The Company has pension plans covering substantially all employees located in the United States, the United Kingdom and Australia. Benefits generally are based on compensation for salaried employees and on length of service for hourly employees. The Company's policy is to fund pension plans such that sufficient assets will be available to meet future benefit requirements. The following tables relate to the Company's principal United States, United Kingdom, and Australian pension plans.

The changes in the pension benefit obligations for the year were as follows:

	2000	1999
Obligations at beginning of year	$2,286.5	$2,504.8
Change in benefit obligations:		
Service cost	36.6	41.8
Interest cost	168.8	155.2
Actuarial loss (gain)	182.7	(205.6)
Special separation program benefits	92.2	
Benefit payments	(348.1)	(197.5)
Other	(29.9)	(12.2)
Net increase (decrease) in benefit obligations	102.3	(218.3)
Obligations at end of year	$2,388.8	$2,286.5

The changes in the fair value of the pension plans' assets for the year were as follows:

	2000	1999
Fair value at beginning of year	$3,712.4	$3,503.6
Change in fair value:		
Actual return on plan assets	(362.9)	428.9
Benefit payments	(348.1)	(197.5)
Transfer of assets to a special trust to fund qualified current retiree health liabilities	(38.5)	(30.5)
Other	(14.2)	7.9
Net increase (decrease) in fair value of assets	(763.7)	208.8
Fair value at end of year	$2,948.7	$3,712.4

The funded status of the pension plans at year end was as follows:

	2000	1999
Plan assets at fair value	$2,948.7	$3,712.4
Projected benefit obligations	2,388.8	2,286.5
Plan assets in excess of projected benefit obligations	559.9	1,425.9
Net unrecognized items:		
Actuarial (gain) loss	170.5	(721.4)
Prior service cost	41.0	41.1
	211.5	(680.3)
Prepaid pension	$ 771.4	$ 745.6

The components of the net pension credit for the year were as follows:

	2000	1999	1998
Service cost	$ 36.6	$ 41.8	$ 37.0
Interest cost	168.8	155.2	156.0
Expected asset return	(318.5)	(280.6)	(266.1)
Amortization:			
Prior service cost	7.9	8.1	7.7
(Gain) loss	(0.2)	1.1	0.7
Net amortization	7.7	9.2	8.4
Net credit	$(105.4)	$ (74.4)	$ (64.7)

The actuarial present value of benefit obligations is based on a weighted discount rate of approximately 7.00% for 2000 and 7.50% for 1999. Future benefits are assumed to increase in a manner consistent with past experience of the plans, which, to the extent benefits are based on compensation, includes assumed salary increases on a weighted scale of approximately 4.75% for 2000 and 1999. The expected weighted long-term rate of return on assets was approximately 10.00% for 2000, and 9.50% for both 1999 and 1998. Amortization included in net pension credits is based on the average remaining service of employees. Plan assets include marketable equity securities (which at December 31, 2000 and 1999 included 14,423,621 shares of the Company's common stock), government and corporate debt securities, real estate and commingled funds.

The Company also sponsors several defined contribution plans for all salaried and hourly U.S. employees. Participation is voluntary and participants' contributions are based on their compensation. The Company matches substantially all plan participants' contributions up to various limits. Company contributions to these plans amounted to $10.2 million in 2000, $10.5 million in 1999, and $10.6 million in 1998.

POSTRETIREMENT BENEFITS OTHER THAN PENSIONS. The Company provides certain retiree health care and life insurance benefits covering substantially all U.S. salaried and certain hourly employees. Employees are generally eligible for benefits upon retirement and completion of a specified number of years of creditable service.

The changes in the postretirement benefit obligations for the year were as follows:

	2000	1999
Obligations at beginning of year	$267.5	$306.9
Change in benefit obligations:		
Service cost	1.6	2.3
Interest cost	20.4	19.1
Actuarial loss (gain)	15.2	(27.7)
Curtailments	5.8	
Special separation program termination benefits	2.0	
Divestiture		(0.6)
Benefit payments	(33.0)	(32.5)
Net change in benefit obligations	12.0	(39.4)
Obligations at end of year	$279.5	$267.5

The funded status of the postretirement benefit plans at year end was as follows:

	2000	1999
Accumulated postretirement benefit obligations	$279.5	$267.5
Unrecognized net reduction in obligations:		
Prior service cost	43.6	59.7
Actuarial loss	(27.0)	(12.3)
	16.6	47.4
Nonpension postretirement benefit obligations	$296.1	$314.9

The components of the net postretirement benefit cost for the year were as follows:

	2000	1999	1998
Service cost	$ 1.6	$ 2.3	$ 2.2
Interest cost	20.5	19.1	20.7
Amortization:			
Prior service cost	(13.6)	(13.7)	(13.7)
(Gain) loss	(0.1)	1.9	1.4
Net amortization	(13.7)	(11.8)	(12.3)
Net postretirement benefit cost	$ 8.4	$ 9.6	$ 10.6

Assumed health care cost inflation was based on a rate of 6.00% in 2000 and 6.50% in 1999. A one percentage point decrease in the rate would have decreased the accumulated postretirement benefit obligation at December 31, 2000 by $8.3 million and decreased the net postretirement benefit cost for 2000 by $0.8 million. A one percentage point increase in the rate would have increased the accumulated postretirement benefit obligation at December 31, 2000 by $9.6 million and increased the net postretirement benefit cost for 2000 by $0.9 million. The assumed discount rates used in determining the accumulated postretirement benefit obligation were 7.50% and 8.00% at December 31, 2000 and 1999, respectively. Amortization included in net postretirement benefit cost is based on the average remaining service of employees.

Benefits provided by the Company for certain of the hourly retirees are determined by collective bargaining. Most other domestic hourly retirees receive health and life insurance benefits from a multiemployer trust established by collective bargaining. Payments to the trust as required by the bargaining agreements are based upon specified amounts per hour worked and were $7.5 million in 2000, $8.0 million in 1999, and $8.6 million in 1998. Postretirement health and life benefits for retirees of foreign affiliates are generally provided through the national health care programs of the countries in which the affiliates are located.

OTHER REVENUE. Other revenue for the year ended December 31, 1999 includes gains totaling $40.8 million related to the sales of a U.S. glass container plant and a mold manufacturing business in Colombia. Other revenue for the year ended December 31, 1998, includes a gain of $18.5 million 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.

OTHER COSTS AND EXPENSES. Other costs and expenses for the year ended December 31, 2000 include: (1) $550.0 million related to adjustment of the reserve for estimated future asbestos-related indemnity payments and legal fees and (2) $248.3 million principally related to a restructuring and capacity realignment program.

The restructuring and capacity realignment program, initiated in the third quarter of 2000, includes the consolidation of manufacturing capacity and a reduction of 350 employees in the U.S. salaried work force, or about 10%, principally as a result of early retirement incentives. Also included in the program are a write-down of plant and equipment for the Company's glass container affiliate in India and certain other asset write-offs. Manufacturing capacity consolidations principally involve U.S. glass container facilities and reflect technology-driven improvements in productivity, conversions from some juice and similar products to plastic containers, Company and customer decisions regarding pricing and volume, and the further concentration of production in the most strategically-located facilities. Selected information relating to the third quarter 2000 charges, excluding asbestos-related items, follows:

	CAPACITY REALIGNMENT	RETIREMENT INCENTIVES AND SPECIAL TERMINATION BENEFITS	WRITE-DOWN OF PROPERTY, PLANT AND EQUIPMENT IN INDIA	OTHER, PRINCIPALLY SOFTWARE WRITE-OFF	TOTAL
2000 restructuring charges	$122.4	$ 52.4	$40.0	$33.5	$ 248.3
Write-down of assets to net realizable value	(49.0)		(40.0)	(31.5)	(120.5)
Reduction of prepaid pension asset	(13.6)	(45.8)			(59.4)
Increase in nonpension postretirement benefit liability	(0.6)	(5.4)			(6.0)
Net cash paid	(1.5)	(0.4)			(1.9)
Remaining liabilities related to 2000 charges as of December 31, 2000	$ 57.7	$ 0.8	$ --	$ 2.0	$ 60.5

As a result of a 10% reduction of the U.S. salaried workforce in 2000, the Company recognized a settlement gain of approximately $40 million related to its defined benefit pension plan. This gain has been included in the net charge of $52.4 million for retirement incentives and special termination benefits.

The pretax charge of $40.0 million was related to the write-down of property, plant, and equipment in India. Based on the Company's expectation of future net cash flows of its affiliate in India, the related property, plant, and equipment have been written down to realizable values in accordance with Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of."

Other costs and expenses for the year ended December 31, 1999 include charges totaling $20.8 million related principally to restructuring costs and write-offs of certain assets in Europe and South America. Other costs and expenses for the year ended December 31, 1998, include: (1) $250.0 million related to adjustment of the reserve for estimated future asbestos-related costs; (2) $72.6 million, including approximately $45 million of termination benefits for the elimination of about 1,500 jobs and approximately $25 million for asset write-downs, related principally to a plant closing in the United Kingdom and restructuring costs at certain international affiliates; and (3) a net charge of $0.9 million for the settlement of certain environmental litigation and the reduction of previously established reserves for guarantees of certain obligations of a previously divested business. The amount for 1998 also includes $42.0 million principally for write-offs of certain assets associated with business conditions in emerging markets.

EXTRAORDINARY CHARGES FROM EARLY EXTINGUISHMENT OF DEBT. During 1999, the Company incurred redemption premiums and wrote off unamortized deferred financing fees related to indebtedness repaid prior to its scheduled maturity. As a result, the Company recorded extraordinary charges totaling $1.2 million less applicable income taxes of $0.4 million. During 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 an 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.

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").

The following table shows the approximate number of plaintiffs and claimants involved in asbestos claims pending at the beginning of, disposed of, filed during, and pending at the end of, each of the years listed (eliminating duplicate filings):

	2000	1999	1998
Pending at beginning of year	17,000	15,000	15,000
Disposed	18,000	10,000	7,000
Filed	20,000	12,000	7,000
Pending at end of year	19,000	17,000	15,000

Additionally, the Company has claims-handling agreements in place with many plaintiff's counsel throughout the country. These agreements require evaluation and negotiation regarding whether particular claimants qualify under the criteria established by such agreements. The criteria for such claims include verification of a compensable illness, exposure to a product manufactured by the Company's former business unit during its manufacturing period ending in 1958, and viability of such claims under applicable statutes of limitations. The Company believes that the outcome of evaluations and negotiations conducted in the third and fourth quarters of 2000 and continuing into 2001 could result in resolution of a substantial number of prospective claims pursuant to such agreements in addition to the resolution of certain of the asbestos claims pending at the end of 2000.

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 these categories of claims will not involve any material liability and they are not included in the above description of pending claims.

Since receiving its first asbestos claim, the Company, as of December 31, 2000, has disposed of the asbestos claims of approximately 241,000 plaintiffs and claimants at an average indemnity payment per claim of approximately $4,900. Certain of these dispositions have included deferred payment amounts payable over periods ranging from one to seven years. Deferred payments at December 31, 2000 totaled $40.7 million and are included in the foregoing average indemnity payment per claim. The Company's indemnity payments for these claims have varied on a per claim basis, and are expected to continue to vary considerably over time.

Commencing in 1984, the Company has been engaged in litigation (the "Insurance Litigation") in Middlesex County and Morris County, New Jersey with its insurers and with reinsurers of its wholly-owned captive insurer, Owens Insurance Limited, seeking damages and a declaration of coverage for the Company's asbestos personal injury and property damage claims. As a result of payments and commitments that have been made by insurers and reinsurers pursuant to the Insurance Litigation and certain other available insurance, the Company has to date confirmed coverage for its asbestos-related costs of approximately $489.5 million. Of the total amount confirmed to date, $309.3 million had been received through December 31, 2000; and the balance of approximately $180.2 million will be received in 2001 and throughout the next several years. The remainder of the insurance asset of approximately $20.5 million relates to reinsurers which to date have not met their obligations.

The Company believes, based upon court rulings, its understanding of the facts and legal precedents, and advice of its counsel, McCarter and English, LLP, that it is probable it will collect the balance of its recorded insurance asset.

The Company believes that its ultimate asbestos-related contingent liability (i.e., its indemnity or other claim disposition costs plus related litigation expenses) cannot be estimated with certainty. In 1993, the Company established a liability of $975 million to cover indemnity payments and legal fees associated with the resolution of outstanding and expected future asbestos lawsuits and claims. In 1998, an additional liability of $250 million was established.

After establishing the additional liability in 1998, the Company continued to monitor the trends of matters which may affect its ultimate liability and continued to analyze the trends, developments and variables affecting or likely to affect the resolution of pending and future asbestos claims against the Company. The number of asbestos lawsuits and claims pending and filed against the Company since 1998 has exceeded the number estimated at that time. The trend of costs to resolve lawsuits and claims since 1998 has also been unfavorable compared to expectations. In addition, during 2000, Pittsburgh-Corning, Babcock & Wilcox, Owens Corning, and Fibreboard Corporation sought protection under Chapter 11 of the Bankruptcy Code.

During the third quarter of 2000, the Company conducted a comprehensive review to determine whether further adjustments of asbestos-related assets or liabilities were appropriate. As a result of that review, as of September 30, 2000, the Company established an additional liability of $550 million to cover the Company's estimated indemnity payments and legal fees arising from outstanding asbestos personal injury lawsuits and claims and asbestos personal injury lawsuits and claims filed in the next several years, during which period the Company expects to receive the majority of the future asbestos-related lawsuits and claims that could involve the Company. Based on all the factors and matters relating to the Company's asbestos-related lawsuits and claims, the Company presently believes that its asbestos-related costs and liabilities, to the extent it is able reasonably to estimate such cost 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 Insurance Litigation as described above, and the amount of the charges for asbestos-related costs described above.

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 and subject to the matters discussed above, that such ultimate liability will not be material in relation to the Company's Consolidated Financial Statements.

SUBSEQUENT EVENTS. On March 21, 2001, the Company announced that it has entered into a definitive agreement to sell its Harbor Capital Advisors financial services business to Robeco Groep N.V. Harbor Capital Advisors is the adviser to the Harbor Fund family of mutual funds and the advisers to the Company's pension funds. Total consideration for the sale is up to $490 million in cash, subject to certain downward adjustments principally for changes in revenues based on sales or redemptions of shares of the Harbor Fund. The transaction is subject to several conditions, including approval of the independent trustees of Harbor Fund and of the shareholders of each of the 12 mutual funds in the Harbor Fund family of certain agreements to be entered into at the closing, and receipt of a number of permits, licenses and consents, foreign and domestic regulatory approvals and other conditions. The transaction is expected to close in June of 2001. Proceeds from the sale will be used to reduce debt.

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 Glass Containers segment includes operations in North America, Europe, the Asia Pacific region, and South America. 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, and extraordinary charges (collectively "EBIT") excluding 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. For the Company's U.S. pension plans, net periodic pension cost (credit) has been allocated to product segments while the related prepaid pension asset is included in the caption Eliminations and Other Retained. Net sales as shown in the geographic segment information are based on the location of the Company's affiliate which recorded the sales.

Certain prior year amounts have been reclassified in order to conform to current year presentation.

Financial information 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:						
2000	$3,695.6	$1,787.6	$68.9	$5,552.1		$5,552.1
1999	3,762.6	1,686.7	73.6	5,522.9		5,522.9
1998	3,809.9	1,414.5	81.9	5,306.3		5,306.3
EBIT, excluding unusual items:						
2000	$ 587.2	$ 249.2	$ 1.1	$ 837.5	$ 23.4	$ 860.9
1999	582.4	277.7	9.2	869.3	5.9	875.2
1998	626.0	227.9	14.7	868.6	1.9	870.5
Unusual items:						
2000:						
Adjustment of reserve for estimated future asbestos-related costs					$(550.0)	$ (550.0)
Charges related to consolidation of manufacturing capacity	$ (120.4)	$ (2.0)		$ (122.4)		(122.4)
Charges related to early retirement incentives and special termination benefits	(22.0)	(9.2)		(31.2)	(21.2)	(52.4)
Charges related to impairment of property, plant and equipment in India	(40.0)			(40.0)		(40.0)
Other charges, principally related to the write-off of software	(3.6)			(3.6)	(29.9)	(33.5)
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)
1998:						
Charges for restructuring costs at certain international affiliates	(72.6)			(72.6)		(72.6)
Gain on termination of license agreement			$18.5	18.5		18.5
Loss on sale of discontinued operation by equity investee	(5.7)			(5.7)		(5.7)
Other (1)					(250.9)	(250.9)

	GLASS CONTAINERS	PLASTICS PACKAGING	OTHER	TOTAL PRODUCT SEGMENTS	ELIMINATIONS AND OTHER RETAINED	CONSOLIDATED TOTALS
Depreciation and amortization expense:						
2000	$ 346.2	$ 177.3	$ 6.4	$ 529.9	$ 19.6	$ 549.5
1999	348.8	173.0	6.5	528.3	17.0	545.3
1998	312.9	132.4	6.6	451.9	12.0	463.9
Total assets:						
2000	$5,633.8	$3,398.4	$117.0	9,149.2	$1,194.0	$10,343.2
1999	6,016.8	3,399.5	109.3	9,525.6	1,230.7	10,756.3
1998	6,166.2	3,205.3	106.3	9,477.8	1,582.9	11,060.7
Capital expenditures (2):						
2000	$ 290.9	$ 184.9	$ 2.4	$ 478.2	$ 3.2	$ 481.4
1999	428.4	212.3	3.4	644.1	6.3	650.4
1998	382.8	185.0	4.1	571.9	1.6	573.5

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(1) Detail presented in tables on page 53.

(2) Excludes property, plant and equipment acquired through acquisitions.

Financial information regarding the Company's geographic segments is as follows:

	NORTH AMERICA	EUROPE	ASIA PACIFIC	SOUTH AMERICA	TOTAL GEOGRAPHIC SEGMENTS
Net sales:					
2000	$3,390.5	$ 896.9	$760.0	$504.7	$5,552.1
1999	3,319.4	968.8	814.9	419.8	5,522.9
1998	3,163.3	1,052.0	522.6	568.4	5,306.3
EBIT, excluding unusual items:					
2000	$ 555.3	$ 81.8	$123.9	$ 76.5	$ 837.5
1999	601.7	101.2	135.1	31.3	869.3
1998	550.3	139.5	87.3	91.5	868.6
Unusual items:					
2000:					
Charges related to consolidation of manufacturing capacity	$ (126.0)			$ 3.6	$ (122.4)
Charges related to early retirement incentives and special termination benefits	(31.2)				(31.2)
Charges related to impairment of property, plant, and equipment in India			$(40.0)		(40.0)
Other				(3.6)	(3.6)
1999:					
Gains related to the sales of two manufacturing facilities	30.8			10.0	40.8
Charges related principally to restructuring costs and write-offs of certain assets in Europe and South America		$(10.8)		(10.0)	(20.8)
1998:					
Charges for restructuring costs at certain international affiliates		(46.8)	(3.6)	(22.2)	(72.6)
Gain on termination of license agreement	18.5				18.5
Loss on sale of discontinued operation by equity investee		(5.7)			(5.7)

The Company's net fixed assets by geographic segment are as follows:

	UNITED STATES	FOREIGN	TOTAL
2000	$1,721.8	$1,563.1	$3,284.9
1999	1,755.0	1,689.1	3,444.1
1998	1,619.4	1,807.6	3,427.0

Reconciliations to consolidated totals are as follows:

	2000	1999	1998
Net sales for reportable segments	$5,552.1	$5,522.9	$5,306.3
Royalties and net technical assistance	25.3	30.3	26.6
Equity earnings	19.8	22.3	16.0
Interest income	32.5	28.5	29.2
Other revenue	185.1	182.7	121.2
Total	$5,814.8	$5,786.7	$5,499.3
Earnings before income taxes, minority share owners' interests in earnings of subsidiaries, and extraordinary items:			
EBIT, excluding unusual items for reportable segments	$ 837.5	$ 869.3	$ 868.6
Unusual items excluded from reportable segment information	(197.2)	20.0	(59.8)
Eliminations and other retained, excluding unusual items	23.4	5.9	1.9
Unusual items excluded from eliminations and other retained:			
2000:			
Adjustment of reserve for estimated future asbestos-related costs	(550.0)		
Charges related to early retirement incentives and special termination benefits	(21.2)		
Other, principally software write-off	(29.9)		
1998:			
Adjustment of reserve for estimated future asbestos-related costs			(250.0)
Net charges for the settlement of certain environmental litigation and the reduction of previously established reserves			(0.9)
Net interest expense	(454.2)	(397.4)	(350.8)
Total	$ (391.6)	$ 497.8	$ 209.0

SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED). The following tables present selected financial data by quarter for the years ended December 31, 2000 and 1999:

	2000				
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER(A)	FOURTH QUARTER(B)	TOTAL
Net sales	$1,345.6	$1,449.2	$1,430.3	$1,327.0	$5,552.1
Gross profit	$ 299.7	$ 341.6	$ 303.9	$ 247.8	$1,193.0
Net earnings (loss):	$ 58.7	$ 88.5	$ (449.2)	$ 32.3	$ (269.7)
Earnings (loss) per share of common stock: (c)					
Basic:					
Net earnings (loss)	$ 0.36	$ 0.57	$ (3.12)	$ 0.19	$ (2.00)
Diluted:					
Net earnings (loss)	$ 0.36	$ 0.57	$ (3.12)	$ 0.18	$ (2.00)

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(a) In the third quarter of 2000, the Company recorded pretax charges totaling $798.3 million ($513.1 million after tax and minority share owners' interests) for the following: (1) $550.0 million ($342.1 million after tax) related to adjustment of the reserve for estimated future asbestos-related costs; (2) $122.4 million ($77.3 million after tax and minority share owners' interests) related to the consolidation of manufacturing capacity; (3) a net charge of $52.4 million ($32.6 million after tax) related to early retirement incentives and special termination benefits for 350 United States salaried employees; (4) $40.0 million ($40.0 million after tax) related to the impairment of property, plant and equipment at the Company's facilities in India; and (5) $33.5 million ($21.1 million after tax and minority share owners' interests) related principally to the write-off of software and related development costs. The net after tax effect of these items is a reduction in earnings per share of $3.51 for the third quarter.

(b) In the fourth quarter of 2000, the Company recorded a benefit of $9.3 million to adjust net income tax liabilities in Italy as a result of recent legislation. The benefit of this item on earnings per share on both a basic and diluted basis was $0.06 for the fourth quarter.

(c) Earnings per share are computed independently for each period presented. Due to the net loss for the year, the year-to-date basic earnings per share is equal to the diluted earnings per share. As such, the sums of the amounts calculated separately for each quarter do not equal the year-to-date amount.

	1999				
	FIRST QUARTER	SECOND QUARTER(A)	THIRD QUARTER	FOURTH QUARTER	TOTAL
Net sales	$1,307.0	$1,423.1	$1,426.2	$1,366.6	$5,522.9
Gross Profit	$ 307.2	$ 354.7	$ 314.0	$ 250.6	$1,226.5
Earnings:					
Before extraordinary items	$ 69.3	$ 110.9	$ 77.5	$ 41.4	$ 299.1
Extraordinary charges from early extinguishment of debt, net of applicable income taxes				(0.8)	(0.8)
Net earnings:	$ 69.3	$ 110.9	$ 77.5	$ 40.6	$ 298.3

	1999				
	FIRST QUARTER	SECOND QUARTER(A)	THIRD QUARTER	FOURTH QUARTER	TOTAL
Earnings per share of common stock: (b)					
Basic:					
Before extraordinary items..............	$ 0.41	$ 0.68	$ 0.46	$ 0.24	$ 1.80
Extraordinary charges...................				(0.01)	(0.01)
Net earnings:............................	$ 0.41	$ 0.68	$ 0.46	$ 0.23	$ 1.79
Diluted:					
Before extraordinary items..............	$ 0.41	$ 0.67	$ 0.46	$ 0.24	$ 1.79
Extraordinary charges...................				(0.01)	(0.01)
Net earnings:............................	$ 0.41	$ 0.67	$ 0.46	$ 0.23	$ 1.78

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(a) In the second quarter of 1999, the Company recorded: (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 net after tax amounts of these items was a credit of $9.6 million, or $.06 per share on both a basic and diluted basis for the second quarter.

(b) Earnings per share are computed independently for each period presented. Due primarily to the repurchase of 10 million shares of common stock during the fourth quarter, and the resultant effect of this change on average shares, per share amounts calculated on a year-to-date basis do not equal the sums of such amounts calculated separately for each quarter.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Information with respect to non-officer directors is included in the Proxy Statement in the section entitled "Election of Directors" and such information is incorporated herein by reference.

Information with respect to executive officers is included herein on pages 11 - 13.

ITEM 11. AND 13. EXECUTIVE COMPENSATION AND CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The section entitled "Director and Executive Compensation and Other Information," exclusive of the subsections entitled "Board Compensation Committee Report on Executive Compensation" and "Performance Graph," which is included in the Proxy Statement is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The section entitled "Security Ownership of Certain Beneficial Owners and Management" which is included in the Proxy Statement is incorporated herein by reference.

PART IV

ITEM 14.(A). EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

Index of Financial Statements and Financial Statement Schedules Covered by Report of Independent Auditors.

All other schedules have been omitted since the required information is not present or not present in amounts sufficient to require submission of the schedule.

EXHIBIT INDEX

S-K ITEM 601 NO.		DOCUMENT
3.1	--	Restated Certificate of Incorporation of Owens-Illinois, Inc. (filed as Exhibit 3.1 to the Registrant's Registration Statement, File No. 33-43224, and incorporated herein by reference).
3.2	--	Bylaws of Owens-Illinois, Inc., as amended (filed as Exhibit 3.2 to the Registrant's Registration Statement, File No. 33-43224, and incorporated herein by reference).
4.1	--	Indenture dated as of May 15, 1997, between Owens-Illinois, Inc. and The Bank of New York, as Trustee (filed as Exhibit 4.1 to the Registrant's Form 8-K dated May 16, 1997, File No. 1-9576, and incorporated herein by reference).
4.2	--	Indenture dated as of May 20, 1998, between Owens-Illinois, Inc. and The Bank of New York, as Trustee (filed as Exhibit 4.1 to the Registrant's Form 8-K dated May 20, 1998, File No. 1-9576, and incorporated herein by reference).
4.3	--	Certificate of Designations, Preferences and Relative, Participating, Optional and Other Special Rights of Preferred Stock and Qualifications, Limitations and Restrictions Thereof of Series A Exchangeable Preferred Stock, Series B Exchangeable Preferred Stock and Series C Exchangeable Preferred Stock of Owens-Illinois, Inc., dated October 30, 1992 (filed as Exhibit 3.5 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1992, File No. 1-9576, and incorporated herein by reference).
4.4	--	Certificate of Designations, Preferences and Relative, Participating, Optional and Other Special Rights of Preferred Stock and Qualifications, Limitations and Restrictions thereof of Convertible Preferred Stock of Owens-Illinois, Inc., dated May 15, 1998 (filed as Exhibit 4.10 to the Registrant's Form 8-K dated May 20, 1998, File No. 1-9576, and incorporated herein by reference).
4.5	--	Second Amended and Restated Credit Agreement, dated as of April 30, 1998, among Owens-Illinois, Inc. and certain of its subsidiaries and the lenders listed therein, including those named as managing agents, co-agents, lead managers, arrangers, offshore administrative agents, The Bank of Nova Scotia, NationsBank, N.A., Bank of America National Trust and Savings Association, and Bankers Trust Company including exhibits and schedules thereto (filed as Exhibit 4.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 1998, File No. 1-9576, and incorporated herein by reference).
10.1	--	Lease Agreement dated as of May 21, 1980, between Owens-Illinois, Inc. and Leyden Associates Limited Partnership (filed as Exhibit 5 to the Registrant's Registration Statement, File No. 2-68022, and incorporated herein by reference).
10.2*	--	Amended and Restated Owens-Illinois Supplemental Retirement Benefit Plan (filed as Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 1998, File No. 1-9576, and incorporated herein by reference).
10.3*	--	First Amendment to Amended and Restated Owens-Illinois Supplemental Retirement Benefit Plan (filed herewith).

S-K ITEM 601 NO.		DOCUMENT
10.4*	--	Form of Employment Agreement between Owens-Illinois, Inc. and various Employees (filed as Exhibit 10(m) to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1987, File No. 1-9576, and incorporated herein by reference).
10.5*	--	Form of Non-Qualified Stock Option agreement between Owens-Illinois, Inc. and various Employees (filed as Exhibit 10(1) to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1987, File No. 1-9576, and incorporated herein by reference).
10.6*	--	Form of Subscription Agreement between Owens-Illinois, Inc. and various Purchasers (filed as Exhibit 10(k) to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1987, File No. 1-9576, and incorporated herein by reference).
10.7*	--	Stock Option Plan for Directors of Owens-Illinois, Inc. (filed as Exhibit 4.3 to the Registrant's Form S-8, File No. 33-57141, and incorporated herein by reference).
10.8*	--	First Amendment to Stock Option Plan for Directors of Owens-Illinois, Inc. (filed as Exhibit 10.10 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1995, File No. 1-9576, and incorporated herein by reference).
10.9*	--	Form of Non-Qualified Stock Option Agreement for use under the Stock Option Plan for Directors of Owens-Illinois, Inc. (filed as Exhibit 4.4 to Registrant's Form S-8, File No. 33-57141, and incorporated herein by reference).
10.10*	--	Second Amended and Restated Stock Option Plan for Key Employees of Owens-Illinois, Inc. (filed as Exhibit 10.20 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1994, File No. 1-9576, and incorporated herein by reference).
10.11*	--	First Amendment to Second Amended and Restated Stock Option Plan for Key Employees of Owens-Illinois, Inc. (filed as Exhibit 10.13 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1995, File No. 1-9576, and incorporated herein by reference).
10.12*	--	Third Amendment to Second Amended and Restated Stock Option Plan for Key Employees of Owens-Illinois, Inc. (filed as Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2000, File No. 1-9576, and incorporated herein by reference.)
10.13*	--	Second Amendment to Second Amended and Restated Stock Option Plan for Key Employees of Owens-Illinois, Inc. (filed as Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 1997, File No. 1-9576, and incorporated herein by reference).
10.14*	--	Form of Non-Qualified Stock Option Agreement for use under the Amended and Restated Stock Option Plan for Key Employees of Owens-Illinois, Inc. (filed as Exhibit 10.21 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1994, File No. 1-9576, and incorporated herein by reference).
10.15*	--	Form of First Amendment to Subscription Agreement between Owens-Illinois, Inc. and Robert J. Lanigan (filed as Exhibit 10.19 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1990, File No. 1-9576, and incorporated herein by reference).

S-K ITEM 601 NO.		DOCUMENT
10.16*	--	Form of Non-Qualified Stock Option Agreement between Owens-Illinois, Inc., and Robert J. Lanigan (filed as Exhibit 10.21 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1990, File No. 1-9576, and incorporated herein by reference).
10.17*	--	Form of First Amendment to Non-Qualified Stock Option Agreement between Owens-Illinois, Inc. and Robert J. Lanigan (filed as Exhibit 10.20 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1990, File No. 1-9576, and incorporated herein by reference).
10.18*	--	Amended and Restated Owens-Illinois, Inc. Senior Management Incentive Plan (filed as Exhibit 10.15 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1993, File No. 1-9576, and incorporated herein by reference).
10.19*	--	First Amendment to Amended and Restated Owens-Illinois, Inc. Senior Management Incentive Plan (filed as Exhibit 10-19 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1995, File No. 1-9576, and incorporated herein by reference).
10.20*	--	Second Amendment to Amended and Restated Owens-Illinois, Inc. Senior Management Incentive Plan (filed as Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 1997, File No. 1-9576, and incorporated herein by reference).
10.21*	--	Third Amendment to Amended and Restated Owens-Illinois, Inc. Senior Management Incentive Plan (filed as Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 1997, File No. 1-9576, and incorporated herein by reference).
10.22*	--	Amended and Restated Owens-Illinois, Inc. Performance Award Plan (filed as Exhibit 10.16 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1993, File No. 1-9576, and incorporated herein by reference).
10.23*	--	First Amendment to Amended and Restated Owens-Illinois, Inc. Performance Award Plan (filed as Exhibit 10.4 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 1997, File No. 1-9576, and incorporated herein by reference).
10.24*	--	Owens-Illinois, Inc. Corporate Officers Deferred Compensation Plan (filed as Exhibit 10.17 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1993, File No. 1-9576, and incorporated herein by reference).
10.25*	--	First Amendment to Owens-Illinois, Inc. Corporate Officers Deferred Compensation Plan (filed as Exhibit 10.22 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1995, File No. 1-9576, and incorporated herein by reference).
10.26*	--	Second Amendment to Owens-Illinois, Inc. Corporate Officers Deferred Compensation Plan (filed as Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 1998, File No. 1-9576, and incorporated herein by reference).
10.27	--	Third Amendment to Owens-Illinois, Inc. Corporate Officers Deferred Compensation Plan (filed herewith).
10.28*	--	Termination of Owens-Illinois, Inc. Corporate Officers Deferred Compensation Plan (filed herewith).

S-K ITEM 601 NO.		DOCUMENT
10.29*	--	Owens-Illinois, Inc. Executive Savings Plan (filed as Exhibit 10.18 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1993, File No. 1-9576, and incorporated herein by reference).
10.30*	--	First Amendment to Owens-Illinois, Inc. Executive Savings Plan (filed as Exhibit 10.24 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1995, File No. 1-9576, and incorporated herein by reference).
10.31*	--	Second Amendment to Owens-Illinois, Inc. Executive Savings Plan (filed as Exhibit 10.25 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1995, File No. 1-9576, and incorporated herein by reference).
10.32*	--	Third Amendment to Owens-Illinois, Inc. Executive Savings Plan (filed as Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 1997, File No. 1-9576, and incorporated herein by reference).
10.33*	--	Fourth Amendment to Owens-Illinois, Inc. Executive Savings Plan (filed herewith).
10.34*	--	Termination of Owens-Illinois, Inc. Executive Savings Plan (filed herewith).
10.35*	--	Owens-Illinois, Inc. Directors Deferred Compensation Plan (filed as Exhibit 10.26 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1995, File No. 1-9576, and incorporated herein by reference).
10.36*	--	First Amendment to Owens-Illinois, Inc. Directors Deferred Compensation Plan (filed as Exhibit 10.27 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1995, File No. 1-9576, and incorporated herein by reference).
10.37*	--	Second Amendment to Owens-Illinois, Inc. Directors Deferred Compensation Plan (filed as Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 1997, File No. 1-9576, and incorporated herein by reference).
10.38*	--	Amended and Restated 1997 Equity Participation Plan of Owens-Illinois, Inc. (filed as Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 1999, File No. 1-9576, and incorporated herein by reference).
10.39*	--	Form of Non-Qualified Stock Option Agreement for use under the Amended and Restated 1997 Equity Participation Plan of Owens-Illinois, Inc. (filed as Exhibit 4.3 to the Registrant's Form S-8, File No. 333-47691, and incorporated herein by reference).
10.40*	--	Form of Restricted Stock Agreement for use under the Amended and Restated 1997 Equity Participation Plan of Owens-Illinois, Inc. (filed as Exhibit 4.4 to the Registrant's Form S-8, File No. 333-47691, and incorporated herein by reference).
10.41*	--	Form of Restricted Stock Agreement for use under the Amended and Restated 1997 Equity Participation Plan of Owens-Illinois, Inc. (filed as Exhibit 10.2 to the Registrant's Quarterly report on Form 10-Q for the quarter ended June 30, 1999, File No. 1-9576, and incorporated herein by reference).
10.42*	--	Form of Phantom Stock Agreement for use under the Amended and Restated 1997 Equity Participation Plan of Owens-Illinois, Inc. (filed as Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 1999, File No. 1-9576, and incorporated herein by reference).

S-K ITEM 601 NO.		DOCUMENT
10.43*	--	Owens-Illinois, Inc. Executive Life Insurance Plan (filed as Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2000, File No. 1-9576, and incorporated herein by reference).
10.44*	--	Owens-Illinois, Inc. Death Benefit Only Agreement (filed as Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2000, File No. 1-9576, and incorporated herein by reference).
12	--	Computation of Ratio of Earnings to Fixed Charges and Earnings to Combined Fixed Charges and Preferred Stock Dividends (filed herewith).
21	--	Subsidiaries of the Registrant (filed herewith).
23.1	--	Consent of Independent Auditors (filed herewith).
23.2	--	Consent of McCarter & English, LLP (filed herewith).
24	--	Owens-Illinois, Inc. Power of Attorney (filed herewith).

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* Indicates a management contract or compensatory plan or arrangement required to be filed as an exhibit to this form pursuant to Item 14(c).

ITEM 14.(B). REPORTS ON FORM 8-K

No reports on Form 8-K were filed by the Registrant during the last quarter of 2000.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

Date: March 30, 2001

OWENS-ILLINOIS, INC.
(Registrant)

By: /s/ JAMES W. BAEHREN

James W. Baehren
CORPORATE SECRETARY AND
ASSOCIATE GENERAL COUNSEL

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of Owens-Illinois, Inc. and in the capacities and on the dates indicated.

SIGNATURES	TITLE
Robert J. Dineen	Director
Edward A. Gilhuly	Director
James H. Greene, Jr.	Director
Robert J. Lanigan	Director
Joseph H. Lemieux	Chairman of the Board of Directors and Chief Executive Officer (Principal Executive Officer); Director
John J. McMackin, Jr.	Director
Michael W. Michelson	Director
George R. Roberts	Director

SIGNATURES	TITLE
David G. Van Hooser	Senior Vice President and Chief Financial Officer (Principal Financial Officer)
Edward C. White	Controller (Principal Accounting Officer)
Thomas L. Young	Executive Vice President, Administration and General Counsel; Director

Date: March 30, 2001

By: /s/ JAMES W. BAEHREN

James W. Baehren
ATTORNEY-IN-FACT

INDEX TO FINANCIAL STATEMENT SCHEDULE

FINANCIAL STATEMENT SCHEDULE OF OWENS-ILLINOIS, INC. AND SUBSIDIARIES:

For the years ended December 31, 2000, 1999, and 1998:

OWENS-ILLINOIS, INC.

SCHEDULE II--VALUATION AND QUALIFYING ACCOUNTS (CONSOLIDATED)

YEARS ENDED DECEMBER 31, 2000, 1999, AND 1998
(MILLIONS OF DOLLARS)

Reserves deducted from assets in the balance sheets:

ALLOWANCES FOR LOSSES AND DISCOUNTS ON RECEIVABLES

		ADDITIONS			
	BALANCE AT BEGINNING OF PERIOD	CHARGED TO COSTS AND EXPENSES	OTHER (NOTE 2)	DEDUCTIONS (NOTE 1)	BALANCE AT END OF PERIOD
2000	$56.9	$68.0	$7.1	$62.1	$69.9
1999	$56.9	$53.3	$ --	$53.3	$56.9
1998	$52.9	$61.2	$ --	$57.2	$56.9

- -----------------------

(1) Deductions from allowances for losses and discounts on receivables represent uncollectible notes and accounts written off.

(2) Other for 2000 relates to acquisitions during the year.

Exhibit 10.3

FIRST AMENDMENT TO AMENDED AND RESTATED OWENS-ILLINOIS SUPPLEMENTAL RETIREMENT BENEFIT PLAN

Pursuant to authority reserved to the Board of Directors of Owens-Illinois, Inc. (the "COMPANY") and duly delegated to the undersigned officer of the Company under the Amended and Restated Owens-Illinois Supplemental Retirement Benefit Plan (the "PLAN"), the Plan is hereby amended as follows:

1. Article IV of the Plan is amended by redesignating Section 4.04 as Section 4.05 and by adding a new Section 4.04 to read, in its entirety, as follows:

> SECTION 4.04 - (a) Any provision of this Plan or of the Salary Plan to the contrary notwithstanding, the Board or the Executive Compensation Committee may, in its sole and unlimited discretion, upon such terms and conditions as the Board or the Executive Compensation Committee may determine:
>
> (1) accelerate the payment date of any retirement benefit hereunder to any date preceding the payment date otherwise applicable to such benefit hereunder, without regard to whether or not the Eligible Employee with respect to whom such benefit is payable has retired or otherwise terminated employment;
>
> (2) direct that such benefit (including the amount, if any, payable under (3) or (4), below) shall be paid as an immediate lump-sum payment in an amount equal to its then current value, as determined by (or in the manner prescribed by) the Executive Compensation Committee;
>
> (3) direct that, to the extent such Eligible Employee would have been entitled to any additional and/or enhanced benefits under the Salary Plan and this Plan if he had retired or otherwise terminated employment on a date specified by the Executive Compensation Committee, such accelerated payment shall include all or any part of the then current value of such additional and/or enhanced benefits, as determined by (or in the manner prescribed by) the Executive Compensation Committee; and/or
>
> (4) direct that, if such Eligible Employee would not have been so entitled to any such additional and/or enhanced benefits, such accelerated payment shall nevertheless include all or any part, as specified by the Executive Compensation Committee, of the then current value of such additional and/or enhanced benefits, as determined by (or in the manner prescribed by) the Executive Compensation Committee.

(b) To the extent any accelerated benefit payment is made to an Eligible Employee pursuant to Section 4.04(a), the Executive Compensation Committee shall determine the nature and amount of the corresponding offset or other adjustment to be made to any retirement, survivor, or death benefit subsequently payable hereunder to or with respect to such Eligible Employee.

(c) Any amount otherwise payable to an Eligible Employee under Section 4.04(a) may, as and to the extent directed by the Executive Compensation Committee, be transferred directly to a bank, mutual fund, or other financial institution designated by the Executive Compensation Committee, for deposit or investment in the name and on behalf of such Eligible Employee in one or more available savings or investment media, as specified by the Executive Compensation Committee.

2. This First Amendment shall be effective on or as of October 1, 2000. In all other respects the Plan shall remain in full force and effect as amended and restated on May 29, 1998, effective as of January 1, 1998.

IN WITNESS WHEREOF, this First Amendment has been executed by a duly authorized officer of the Company this 1st day of November, 2000.

OWENS-ILLINOIS, INC.

By /s/ Thomas L. Young

Thomas L. Young,
Executive Vice President, Administration

Attest:

/s/ James W. Baehren

James W. Baehren,
Secretary

Exhibit 10.27

THIRD AMENDMENT TO OWENS-ILLINOIS, INC.
CORPORATE OFFICERS DEFERRED COMPENSATION PLAN

Pursuant to authority reserved to the Board of Directors of Owens-Illinois, Inc. (the "COMPANY") and duly delegated to the undersigned officer of the Company under the Owens-Illinois, Inc. Corporate Officers Deferred Compensation Plan (the "PLAN"), the Plan is hereby amended as follows:

1. Section 8 of the Plan is amended to read, in its entirety, as follow:

8. AMENDMENT AND TERMINATION OF THE PLAN

The Board may at any time and from time to time amend, suspend, or terminate the Plan in whole or in part; provided, however, that no such amendment, suspension, or termination may, without the consent of any Officer affected thereby, have any adverse retroactive effect on the rights of any such Officer (or any person claiming through or under him) under the Plan unless required by applicable law. Upon termination of the Plan in whole or in part the entire Account balance of each Officer with respect to whom such termination is effective shall be paid to him on or as soon as administratively practicable after the effective date of such termination. Any amount otherwise payable to an Officer under this Section 8 may, as and to the extent directed by the Executive Compensation Committee, be transferred directly to a bank, mutual fund, or other financial institution designated by the Executive Compensation Committee, for deposit or investment in the name and on behalf of such Officer in one or more available savings or investment media, as specified by the Executive Compensation Committee.

2. This Amendment shall be effective upon its execution. In all other respects the Plan shall remain in full force and effect as originally adopted and heretofore amended.

IN WITNESS WHEREOF, this First Amendment has been executed by a duly authorized officer of the Company this 21st day of November, 2000.

OWENS-ILLINOIS, INC.

By /s/ Thomas L. Young

Executive Vice President

Attest:

/s/ James W. Baehren

Secretary

Exhibit 10.28

TERMINATION OF OWENS-ILLINOIS, INC.
CORPORATE OFFICERS DEFERRED COMPENSATION PLAN

Pursuant to authority reserved to the Board of Directors of Owens-Illinois, Inc. (the "COMPANY") and duly delegated to the undersigned officer of the Company under the Owens-Illinois, Inc. Corporate Officers Deferred Compensation Plan (the "PLAN"), the following actions are hereby taken:

1. The Plan is terminated, effective on or as of the close of business on November 30, 2000.

2. The appropriate officers and employees of the Company are hereby authorized and directed to do all acts or things which they deem necessary or appropriate to implement the termination of the Plan in accordance with all relevant provisions thereof.

IN WITNESS WHEREOF, this instrument has been executed by a duly authorized officer of the Company this 21st day of November, 2000.

OWENS-ILLINOIS, INC.

By /s/ Thomas L. Young

Thomas L. Young,
Executive Vice President, Administration,
and General Counsel

Attest:

/s/ James W. Baehren

James W. Baehren, Secretary

Exhibit 10.33

FOURTH AMENDMENT TO OWENS-ILLINOIS, INC. EXECUTIVE SAVINGS PLAN

Pursuant to authority reserved to the Board of Directors of Owens-Illinois, Inc. (the "COMPANY") and duly delegated to the undersigned officer of the Company under the Owens-Illinois, Inc. Executive Savings Plan (the "PLAN"), the Plan is hereby amended as follows:

1. Section 8 of the Plan is amended to read, in its entirety, as follows:

8. AMENDMENT AND TERMINATION OF THE PLAN

> The Board may at any time and from time to time amend, suspend, or terminate the Plan in whole or in part; provided, however, that no such amendment, suspension, or termination may, without the consent of any Executive affected thereby, have any adverse retroactive effect on the rights of any such Executive (or any person claiming through or under him) under the Plan unless required by applicable law. Upon termination of the Plan in whole or in part the entire Account balance of each Executive with respect to whom such termination is effective shall be paid to him on or as soon as administratively practicable after the effective date of such termination. Any amount otherwise payable to an Executive under this Section 8 may, as and to the extent directed by the Executive Compensation Committee, be transferred directly to a bank, mutual fund, or other financial institution designated by the Executive Compensation Committee, for deposit or investment in the name and on behalf of such Executive in one or more available savings or investment media, as specified by the Executive Compensation Committee.

2. This Amendment shall be effective upon its execution. In all other respects the Plan shall remain in full force and effect as originally adopted and heretofore amended.

IN WITNESS WHEREOF, this Fourth Amendment has been executed by a duly authorized officer of the Company this 21st day of November, 2000.

OWENS-ILLINOIS, INC.

By /s/ Thomas L. Young

Executive Vice President

Attest:

/s/ James W. Baehren

Secretary

Exhibit 10.34

TERMINATION OF OWENS-ILLINOIS, INC. EXECUTIVE SAVINGS PLAN

Pursuant to authority reserved to the Board of Directors of Owens-Illinois, Inc. (the "COMPANY") and duly delegated to the undersigned officer of the Company under the Owens-Illinois, Inc. Executive Savings Plan (the "PLAN"), the following actions are hereby taken:

1. The Plan is terminated, effective on or as of the close of business on November 30, 2000.

2. The appropriate officers and employees of the Company are hereby authorized and directed to do all acts or things which they deem necessary or appropriate to implement the termination of the Plan in accordance with all relevant provisions thereof.

IN WITNESS WHEREOF, this instrument has been executed by a duly authorized officer of the Company this 21st day of November, 2000.

OWENS-ILLINOIS, INC.

By /s/ Thomas L. Young

Thomas L. Young,
Executive Vice President, Administration,
and General Counsel

Attest:

/s/ James W. Baehren

James W. Baehren, Secretary

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)

	Years ended December 31, 2000	1999	1998
Earnings (loss) before income taxes, minority share owners' interests, and extraordinary items	$ (391.6)	$ 497.8	$ 209.0
Less: Equity earnings	(19.8)	(22.3)	(16.0)
Add: Total fixed charges deducted from earnings	499.2	452.4	404.8
Proportional share of pre-tax earnings of 50% owned associates	11.0	10.6	7.2
Dividends received from less than 50% owned associates	14.5	9.8	6.6
Earnings available for payment of fixed charges	$ 113.3	$ 948.3	$ 611.6
Fixed charges (including the Company's proportional share of 50% owned associates):			
Interest expense	$ 476.6	$ 417.0	$ 372.6
Portion of operating lease rental deemed to be interest	12.5	26.5	24.8
Amortization of deferred financing costs and debt discount expense	10.1	8.9	7.4
Total fixed charges deducted from earnings and total fixed charges	$ 499.2	$ 452.4	$ 404.8
Preferred stock dividends (increased to assumed pre-tax amount)	21.7	35.5	21.3
Combined fixed charges and preferred stock dividends	$ 520.9	$ 487.9	$ 426.1
Ratio of earnings to fixed charges		2.1	1.5
Deficiency of earnings available to cover fixed charges	$ 385.9		
Ratio of earnings to combined fixed charges and preferred stock dividends		1.9	1.4
Deficiency of earnings available to cover combined fixed charges and preferred stock dividends	$ 407.6		

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)

	Years ended December 31,		
	Pro Forma As Adjusted For BTR Packaging Acquisition 1998	1997	1996
Earnings before income taxes, minority share owners' interests, and extraordinary items	$ 256.2	$ 452.3	$ 324.1
Less: Equity earnings	(16.0)	(17.9)	(15.2)
Add: Total fixed charges deducted from earnings	459.6	324.1	324.3
Proportional share of pre-tax earnings of 50% owned associates	7.2	2.8	
Dividends received from less than 50% owned associates	6.6	4.8	2.7
Earnings available for payment of fixed charges	$ 713.6	$ 766.1	$ 635.9
Fixed charges (including the Company's proportional share of 50% owned associates):			
Interest expense	$ 422.9	$ 298.7	$ 297.6
Portion of operating lease rental deemed to be interest	25.9	21.3	21.7
Amortization of deferred financing costs and debt discount expense	10.8	4.1	5.0
Total fixed charges deducted from earnings and total fixed charges	$ 459.6	$ 324.1	$ 324.3
Preferred stock dividends (increased to assumed pre-tax amount)	33.6	2.2	2.2
Combined fixed charges and preferred stock dividends	$ 493.2	$ 326.3	$ 326.5
Ratio of earnings to fixed charges	1.6	2.4	2.0
Ratio of earnings to combined fixed charges and preferred stock dividends	1.4	2.3	1.9

EXHIBIT 21

OWENS-ILLINOIS, INC.

SUBSIDIARIES OF THE REGISTRANT

The Registrant had the following subsidiaries at December 31, 2000 (subsidiaries are indented following their respective parent companies):

Name	State/Country of Incorporation or Organization
Owens-Illinois Group, Inc.	Delaware
OI Health Care Holding Corp	Delaware
OI General Finance Inc.	Delaware
OI Closure FTS Inc.	Delaware
Specialty Packaging Licensing Company Limited	Delaware
Owens-Illinois Closure Inc.	Delaware
Product Design & Engineering, Inc.	Minnesota
O-I Brazil Closure Inc.	Delaware
OI Tampas do Brasil Ltda.	Brazil
OI Plastic Products FTS Inc.	Delaware
Owens-Illinois Prescription Products Inc.	Delaware
OI Medical Inc.	Delaware
MARC Industries, Inc.	Delaware
EntraCare Corporation	Kansas
MARC Medical Inc.	Kansas
Precision Medical Molding, Inc.	Missouri
K&M Plastics, Inc.	Kansas
Specialty Packaging Products de Mexico, S.A. de C.V.	Mexico
OI Medical Holdings, Inc.	Delaware
Anamed International, Inc.	Nevada
Owens-BriGam de Mexico	Mexico
Martell Medical Products, Inc.	California
Owens-BriGam Medical Company	Delaware
BriGam, Inc.	North Carolina
BriGam Medical Inc.	North Carolina
BriGam Ventures, Inc.	North Carolina
Owens-Brockway Plastic Products, Inc.	Delaware
Owens-Illinois Specialty Products Puerto Rico, Inc.	Delaware
OI Regioplast STS Inc.	Delaware
Regioplast S.A. de C.V.	Mexico

Name	State/Country of Incorporation or Organization
OI Australia Inc.	Delaware
Continental PET Holdings Pty. Ltd.	Australia
ACI America Holdings Inc.	Delaware
Continental PET Technologies Inc.	Delaware
Continental PET Technologies de Mexico, S.A. de C. V.	Mexico
Continental PET Technologies Magyaoroszag Kft.	Hungary
Continental PET do Brasil Ltda.	Brazil
Nova PET Ltda.	Brazil
Owens-Illinois Labels, Inc.	Delaware
OI Venezuela Plastic Products Inc.	Delaware
OI Plasticos de Venezuela C.A.	Venezuela
OI General FTS Inc.	Delaware
OI Castalia STS Inc.	Delaware
OI Levis Park STS Inc.	Delaware
OI AID STS Inc.	Delaware
Owens-Illinois General Inc.	Delaware
Owens Insurance, Ltd.	Bermuda
OI Holding Company, Inc.	Ohio
Owens-Illinois Foreign Sales Corp.	Virgin Islands
Harbor Capital Advisors, Inc.	Delaware
HCA Securities, Inc.	Delaware
Harbor Transfer, Inc.	Delaware
Universal Materials, Inc.	Ohio
Owens-Brockway Packaging, Inc.	Delaware
Owens-Brockway Glass Container, Inc.	Delaware
Brockway Realty Inc.	Pennsylvania
Brockway Research Inc.	Delaware
NHW Auburn LLC	Delaware
OI Auburn Inc.	Delaware
Seagate, Inc.	Ohio
OIB Produvisa Inc.	Delaware
OI Consol STS Inc.	Delaware
OI California Containers Inc.	California
OI Puerto Rico STS Inc.	Delaware
Owens-Illinois de Puerto Rico	Ohio
OI Eduador STS Inc.	Delaware
Cristaleria del Ecuador, S. A.	Ecuador
OI Peru STS Inc.	Delaware
Vidrios Industriales S. A.	Peru
Compania Manufactura De Vidrio Del Peru	Peru

Name	State/Country of Incorporation or Organization
OI Poland, Inc.	Delaware
Huta Szkla Jaroslaw S. A.	Poland
Huta Szkla Antoninek Sp.zo.o	Poland
OI Hungary Inc.	Delaware
United Hungarian Glass Containers Kft.	Hungary
OI Thailand Inc.	Delaware
OI Pacific (Machinery and Distribution) Limited	Thailand
OI International Holdings Inc.	Delaware
OI Global C.V.	Netherlands
Owens-Illinois (Australia) Pty. Ltd.	Australia
ACI Packaging Services Pty . Ltd.	Australia
ACI Operations Pty. Ltd.	Australia
ACI Plastics Packaging (Thailand) Ltd.	Thailand
ACI International ltd.	Australia
OI Andover Group Inc.	Delaware
The Andover Group Inc.	Delaware
Breadalbane Shipping PTE Ltd.	Singapore
PT Kangar Consolidated Industries	Indonesia
ACI India LLC	Delaware
Owens-Brockway (India) Limited	India
Owens-Illinois (NZ) Ltd.	New Zealand
ACI Operations New Zealand Ltd.	New Zealand
OI China LLC	Delaware
Wuhan Owens Glass Container Company Ltd.	China
Owens-Illinois (HK) Ltd.	Hong Kong
ACI Guangdong Ltd.	Hong Kong
ACI Guangdong Glass Company Ltd.	China
ACI Shanghai Ltd.	Hong Kong
ACI Shanghai Glass Company Ltd.	China
ACI Tianjin Ltd.	Hong Kong
ACI Tianjin Mould Company Ltd.	China
OI European Group B.V.	Netherlands
OI Europe (Machinery and Distribution) Limited	United Kingdom
Closure & Packaging Services, Ltd.	Guernsey
Closure & Packaging Services (U.K.) Ltd.	United Kingdom
Closure & Packaging Services (Antilles) N.V.	Netherlands Antilles
Closure & Packaging Services (Netherlands) B.V.	Netherlands
UGG Holdings Ltd.	United Kingdom
OI Overseas Management Company LLC	Delaware
United Glass Group Ltd.	United Kingdom
United Glass, Limited	United Kingdom

Name	State/Country of Incorporation or Organization
OI Glass Holdings B. V.	Netherlands
Owens-Illinois International Management & Trading Kft.	Hungary
OI Finance Ltd.	Ireland
OI Italia S.r.l.	Italy
AVIR S.p.A.	Italy
Avirunoin, a.s.	Czech Republic
Sonator Investments B.V.	Netherlands
Vidrieria Rovira, S. A.	Spain
Owens-Illinois International B. V.	Netherlands
PET Technologies Limited	United Kingdom
Owensglass & Cia	Venezuela
Centro Vidriero de Venezuela, C.A.	Venezuela
Manufacturera de Vidrios Planos, C.A.	Venezuela
OIV Holding, C.A.	Venezuela
Owens-Illinois de Venezuela, C. A.	Venezuela
Fabrica de Vidrio Los Andes, C. A.	Venezuela
Owens-Illinois Ventas, S. A.	Venezuela
Cristaleria Peldar, S.A.	Colombia
Compania Nacional De Vidrios S.A.	Colombia
Cristar S.A.	Colombia
Industria de Materias Primas Limitiada	Colombia
Sao Raimundo Administracao, Participacoes e Representacoes, Limitada	Brazil
Companhia Industrial Sao Paulo e Rio	Brazil
OI Finnish Holdings Oy	Finland
Ryttylan Muovi Oy	Finland
Karhulan Lasi Oy	Finland
A/S Jarvakandi Klaas	Estonia
PET Technologies B. V.	Netherlands

EXHIBIT 23.1

OWENS-ILLINOIS, INC.

CONSENT OF INDEPENDENT AUDITORS

We consent to the reference to our firm under the caption "Selected Financial Data."

We also consent to the incorporation by reference in the Registration Statement (Form S-3 No. 333-47519) of Owens-Illinois, Inc. and in the related Prospectus, in the Registration Statement (Form S-8 No. 333-67377) pertaining to the Amended and Restated Owens-Illinois, Inc. Stock Purchase and Savings Program, the Amended and Restated Owens-Illinois, Inc. Long-Term Savings Plan, and the Owens-Illinois de Puerto Rico Long-Term Savings Plan, in the Registration Statement (Form S-8 No. 33-44252) pertaining to the Amended and Restated Stock Option Plan for Key Employees of Owens-Illinois, Inc., in the Registration Statement (Form S-8 No. 33-57141) pertaining to the Stock Option Plan for Directors of Owens-Illinois, Inc., and in the Registration Statement (Form S-8 No. 333-47691) pertaining to the Amended and Restated 1997 Equity Participation Plan of Owens-Illinois, Inc. of our report dated January 26, 2001 (except for information in the sections entitled "Long-Term Debt" on pages 37-38 and "Subsequent Event" on page 50, as to which the date is March 29, 2001) with respect to the consolidated financial statements and schedule of Owens-Illinois, Inc., included in this Annual Report (Form 10-K) for the year ended December 31, 2000.

/s/ Ernst & Young LLP

Ernst & Young LLP

Toledo, Ohio
March 30, 2001

EXHIBIT 23.2

CONSENT OF MCCARTER & ENGLISH, LLP

March 30, 2001

Ladies and Gentlemen:

We consent to the incorporation by reference in this Annual Report on Form 10-K of Owens-Illinois, Inc. for the year ended December 31, 2000, of the reference to our firm under the caption "Legal Proceedings."

Very truly yours,

/s/ McCarter & English, LLP

McCarter & English, LLP

EXHIBIT 24

OWENS-ILLINOIS, INC.

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That each individual whose signature appears below hereby consents to and appoints David G. Van Hooser, James W. Baehren, or either of them , individually, as his true and lawful attorney-in-fact and agent with all power of substitution, for him and in his name, place and stead, in any and all capacities, to sign the 2000 Annual Report on Form 10-K of Owens-Illinois, Inc., a corporation organized and existing under the laws of the State of Delaware, and any and all amendments thereto, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the Securities and Exchange Commission pursuant to the requirements of the Securities Exchange Act of 1934, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the same as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or his substitute or substitutes, may lawfully do or cause to be done by virtue thereof.

IN WITNESS WHEREOF, each of the undersigned has hereunto set his hand on the date set opposite his name.

SIGNATURE	TITLE	DATE
/s/ Joseph H. Lemieux Joseph H. Lemieux	Chairman of the Board of Directors and Chief Executive Officer (Principal Executive Officer); Director	3/30/01
/s/ Thomas L. Young Thomas L. Young	Executive Vice President, Administration and General Counsel; Director	3/30/01
/s/ Robert J. Lanigan Robert J. Lanigan	Chairman Emeritus of the Board of Directors; Director	3/30/01
/s/ Robert J. Dineen Robert J. Dineen	Director	3/30/01
/s/ Edward A. Gilhuly Edward A. Gilhuly	Director	3/30/01
/s/James H. Greene, Jr. James H. Greene, Jr.	Director	3/30/01

SIGNATURE	TITLE	DATE
/s/ John J. McMackin, Jr. John J. McMackin, Jr.	Director	3/30/01
/s/ Michael W. Michelson Michael W. Michelson	Director	3/30/01
/s/ George R. Roberts George R. Roberts	Director	3/30/01
/s/ David G. Van Hooser David G. Van Hooser	Senior Vice President and Chief Financial Officer (Principal Financial Officer)	3/30/01
/s/ Edward C. White Edward C. White	Controller (Principal Accounting Officer)	3/30/01