

O-I Glass, Inc.
Condensed Consolidating Results of Operations
(Dollars in millions, except per share amounts)

Unaudited	Three Months Ended December 31						Year Ended December 31					
	2020			2019			2020			2019		
	O-I Group	Non O-I Group	O-I Glass	O-I Group	Non O-I Group	O-I Glass	O-I Group	Non O-I Group	O-I Glass	O-I Group	Non O-I Group	O-I Glass
Net sales	\$ 1,497	\$ -	\$ 1,497	\$ 1,628	\$ -	\$ 1,628	\$ 6,091	\$ -	\$ 6,091	\$ 6,691	\$ -	\$ 6,691
Cost of goods sold	(1,232)		(1,232)	(1,352)		(1,352)	(5,119)		(5,119)	(5,483)		(5,483)
Gross profit	265	-	265	276	-	276	972	-	972	1,208	-	1,208
Selling and administrative expense	(95)		(95)	(99)		(99)	(403)		(403)	(439)		(439)
Research, development and engineering expense	(30)		(30)	(18)		(18)	(75)		(75)	(68)		(68)
Interest expense, net	(53)		(53)	(96)		(96)	(265)		(265)	(311)		(311)
Equity earnings (losses)	(11)		(11)	23		23	37		37	78		78
Other income (expense), net (incl. goodwill impairment) (a)	(62)		(62)	37	(58)	(21)	101	(14)	87	(671)	(58)	(729)
Earnings (loss) from continuing operations before income taxes	14	-	14	123	(58)	65	367	(14)	353	(203)	(58)	(261)
Provision for income taxes	(39)		(39)	(32)		(32)	(89)		(89)	(118)		(118)
Earnings (loss) from continuing operations	(25)	-	(25)	91	(58)	33	278	(14)	264	(321)	(58)	(379)
Gain (Loss) from discontinued operations (a)	-		-	(1)		(1)	-		-	(3)		(3)
Net earnings (loss)	(25)	-	(25)	90	(58)	32	278	(14)	264	(324)	(58)	(382)
Net earnings attributable to noncontrolling interests	(4)		(4)	(1)		(1)	(15)		(15)	(18)		(18)
Net earnings (loss) attributable to the Company	<u>\$ (29)</u>	<u>\$ -</u>	<u>\$ (29)</u>	<u>\$ 89</u>	<u>\$ (58)</u>	<u>\$ 31</u>	<u>\$ 263</u>	<u>\$ (14)</u>	<u>\$ 249</u>	<u>\$ (342)</u>	<u>\$ (58)</u>	<u>\$ (400)</u>

- (a) On January 6, 2020 (the "Petition Date"), Paddock Enterprises, LLC ("Paddock") voluntarily filed for relief under Chapter 11 of the Bankruptcy Code in the U.S. Bankruptcy Court for the District of Delaware to equitably and finally resolve all of its current and future asbestos-related claims. Following the Chapter 11 filing, the activities of Paddock are now subject to review and oversight by the bankruptcy court. As a result, O-I Glass, Inc. ("O-I Glass") no longer has exclusive control over Paddock's activities during the bankruptcy proceedings. Therefore, Paddock was deconsolidated as of the Petition Date, and its assets and liabilities, which primarily included \$47 million of cash, the legacy asbestos-related liabilities, as well as certain other assets and liabilities as of the Petition Date, were derecognized from the O-I Glass's consolidated financial statements on a prospective basis. Simultaneously, O-I Glass recognized a liability related to the support agreement of \$471 million based on the accrual required under applicable accounting rules. Taken together, these transactions resulted in a loss of approximately \$14 million, which was reflected as a charge in the O-I Glass's 2020 operating results. See Note 15 to the consolidated financial statements included in O-I Glass's Annual Report on Form 10-K for the year ended December 31, 2020.

In 2019, Non O-I Group includes charges for asbestos-related costs of \$35 million and costs associated with the Corporate Modernization transactions of \$23 million. For additional information, see "Critical Accounting Estimates" and Notes 14, 17 and 22 to the consolidated financial statements included in O-I Glass's Annual Report on Form 10-K for the year ended December 31, 2019.

Explanatory note:

The purpose of these consolidating financial schedules is to comply with the reporting provisions of the bond indenture agreements under which Owens-Illinois Group, Inc. (O-I Group) is guarantor. Those provisions require O-I Group to furnish the consolidated financial statements of O-I Group's parent company, O-I Glass, Inc. (O-I Glass). In addition, those provisions indicate that if O-I Glass "holds assets or has material operations separate and apart from its ownership of OI Group, then OI Group or [O-I Glass] shall provide consolidating information, which need not be audited, that explains in reasonable detail the differences between the information relating to [O-I Glass] and its Subsidiaries, on the one hand, and the information relating to OI Group and its Subsidiaries on a standalone basis, on the other hand." These schedules provide this required information in columns for the periods and dates indicated:

O-I Group: includes the consolidated balances for O-I Group and its subsidiaries

Non O-I Group: includes the consolidated balances for O-I Glass and its subsidiaries not included with O-I Group

O-I Glass: includes the consolidated balances for O-I Glass and its subsidiaries including O-I Group

These consolidating financial schedules should not be used for any other purpose.

O-I Glass, Inc.
Condensed Consolidating Balance Sheet
(Dollars in millions)

Unaudited	December 31, 2020			December 31, 2019		
	O-I Group	Non O-I Group	O-I Glass	O-I Group	Non O-I Group	O-I Glass
Assets						
Current assets:						
Cash and cash equivalents	\$ 563		\$ 563	\$ 545	\$ 6	\$ 551
Trade receivables, net	623		623	621		621
Inventories	841		841	1,045		1,045
Prepaid expenses and other current assets	270		270	271		271
Total current assets	2,297	-	2,297	2,482	6	2,488
Property, plant and equipment, net	2,907		2,907	3,273		3,273
Goodwill	1,951		1,951	1,934		1,934
Intangibles, net	325		325	371		371
Other assets	1,402		1,402	1,540	4	1,544
Total assets	\$ 8,882	\$ -	\$ 8,882	\$ 9,600	\$ 10	\$ 9,610
Liabilities and Share Owners' Equity						
Current liabilities:						
Accounts payable	\$ 1,126		\$ 1,126	\$ 1,276		\$ 1,276
Short-term loans and long-term debt due within one year	197		197	124		124
Other liabilities	575		575	581	14	595
Total current liabilities	1,898	-	1,898	1,981	14	1,995
Long-term debt	4,945		4,945	5,435		5,435
Asbestos-related liabilities	-		-	-	486	486
Paddock Support Agreement	-	471	471	-		-
Other long-term liabilities	1,167		1,167	1,122	8	1,130
Share owners' equity ^(a)	872	(471)	401	1,062	(498)	564
Total liabilities and share owners' equity	\$ 8,882	\$ -	\$ 8,882	\$ 9,600	\$ 10	\$ 9,610

(a) Share owners' equity includes net intercompany balances

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O-I Glass, Inc.
Condensed Consolidating Cash Flow
(Dollars in millions)

Unaudited	Year Ended December 31, 2020			Year Ended December 31, 2019		
	O-I Group	Non O-I Group	O-I Glass	O-I Group	Non O-I Group	O-I Glass
Cash flows from operating activities:						
Net earnings (loss)	\$ 278	\$ (14)	\$ 264	\$ (324)	\$ (58)	\$ (382)
Loss from discontinued operations	-	-	-	3	-	3
Non-cash charges						
Depreciation and amortization	482	-	482	509	-	509
Deferred tax provision (benefit)	(5)	-	(5)	-	-	-
Pension expense	38	-	38	32	-	32
Restructuring, asset impairment and related charges	96	-	96	69	-	69
Charges for asbestos-related cost	-	-	-	-	35	35
Pension settlement charges	26	-	26	26	-	26
Charge for goodwill impairment	-	-	-	595	-	595
Gain on sale of equity investment	-	-	-	(107)	-	(107)
Gain on sale of ANZ businesses	(275)	-	(275)	-	-	-
Other asset impairments	36	-	36	22	-	22
Cash payments						
Pension contributions	(103)	-	(103)	(33)	-	(33)
Asbestos-related payments	-	-	-	-	(151)	(151)
Cash paid for restructuring activities	(37)	-	(37)	(54)	-	(54)
Change in components of working capital	(181)	-	(181)	(190)	14	(176)
Other, net ^(a)	102	14	116	24	(4)	20
Cash provided by continuing operating activities	457	-	457	572	(164)	408
Cash utilized in discontinued operating activities	-	-	-	(3)	-	(3)
Total cash provided by operating activities	457	-	457	569	(164)	405
Cash flows from investing activities:						
Cash payments for property, plant and equipment	(311)	-	(311)	(426)	-	(426)
Acquisitions, net of cash acquired	-	-	-	(190)	-	(190)
Contributions and advances to joint ventures	-	-	-	(22)	-	(22)
Net cash proceeds on disposal of assets	10	-	10	197	-	197
Net cash proceeds on sale of ANZ businesses, net of transaction costs	441	-	441	-	-	-
Deconsolidation of Paddock	-	(47)	(47)	-	-	-
Other, net	-	-	-	4	-	4
Cash utilized in investing activities	140	(47)	93	(437)	-	(437)
Cash flows from financing activities:						
Changes in borrowings, net	(630)	-	(630)	215	-	215
Issuance of common stock and other	-	(3)	(3)	-	(4)	(4)
Treasury shares repurchased	-	-	-	-	(38)	(38)
Payment of finance fees and note repurchase premiums	(51)	-	(51)	(85)	-	(85)
Dividends paid ^(b)	-	(8)	(8)	-	(31)	(31)
Net cash proceeds for hedging activity	(8)	-	(8)	28	-	28
Sale leaseback proceeds in conjunction with ANZ sale	155	-	155	-	-	-
Net distributions to parent	(52)	52	-	(243)	243	-
Distributions to noncontrolling interests	(12)	-	(12)	(17)	-	(17)
Cash provided by (utilized in) financing activities	(598)	41	(557)	(102)	170	68
Effect of exchange rate fluctuations on cash	19	-	19	3	-	3
Change in cash	18	(6)	12	33	6	39
Cash at beginning of period	545	6	551	512	-	512
Cash at end of period	\$ 563	\$ -	\$ 563	\$ 545	\$ 6	\$ 551

(a) Other, net includes other non-cash charges plus other changes in non-current assets and liabilities.

(b) Dividends paid includes net intercompany transactions between O-I Group and non O-I Group affiliates.

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