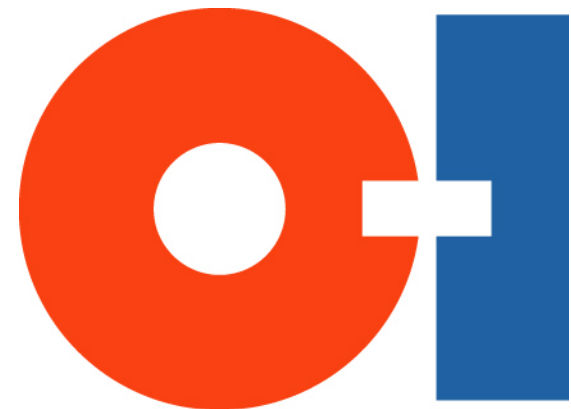


O-I Earnings Presentation



Fourth Quarter and Full Year 2009

January 27, 2010



Introduction

Agenda

- Business discussion
- Financial review
- Business outlook
- Concluding remarks and Q&A

Presenters



Al Stroucken
Chairman and CEO



Ed White
SVP and CFO

Regulation G

The information included in this presentation regarding adjusted net earnings relates to earnings from continuing operations exclusive of items management considers not representative of ongoing operations does not conform to U.S. generally accepted accounting principles (GAAP). It should not be construed as an alternative to the reported results determined in accordance with GAAP. Management has included this non-GAAP information to assist in understanding the comparability of results of ongoing operations. Management uses this non-GAAP information principally for internal reporting, forecasting, budgeting and calculating bonus payments. Further, the information in this presentation regarding free cash flow does not conform to GAAP. Management defines free cash flow as cash provided by operating activities less capital spending (both as determined in accordance with GAAP) and has included this non-GAAP information to assist in understanding the comparability of cash flows. Management uses this non-GAAP information principally for internal reporting, forecasting, and budgeting. Management believes that the non-GAAP presentation allows the board of directors, management, investors and analysts to better understand the Company's financial performance in relationship to core operating results and the business outlook.

Forward Looking Statements

This presentation contains "forward-looking" statements within the meaning of Section 21E of the Securities Exchange Act of 1934 and Section 27A of the Securities Act of 1933. Forward-looking statements reflect the Company's current expectations and projections about future events 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) changes 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 disruptions in capital markets, disruptions in the supply chain, competitive pricing pressures, inflation or deflation, and changes in the tax rates and laws, (4) consumer preferences for alternative forms of packaging, (5) fluctuation in raw material and labor costs, (6) availability of raw materials, (7) costs and availability of energy, (8) transportation costs, (9) the ability of the Company to raise selling prices commensurate with energy and other cost increases, (10) consolidation among competitors and customers, (11) the ability of the Company to integrate operations of acquired businesses and achieve expected synergies, (12) unanticipated expenditures with respect to environmental, safety and health laws, (13) the performance by customers of their obligations under purchase agreements, and (14) the timing and occurrence of events which are beyond the control of the Company, including events related to asbestos-related claims. It is not possible to foresee or identify all such factors. Any forward-looking statements in this presentation 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 assume any obligation to update or supplement any particular forward-looking statements contained in the company's presentation.

Business Discussion: Full Year and Fourth Quarter 2009 Highlights

Strong financial performance amid global economic recession

FY09: Strong performance amid global recession

- \$2.93/sh: one of our best results since 1991 IPO
- \$372 million free cash flow generated
- Shipments down, but improved throughout 2009 on YoY basis
- Higher price/mix more than offset modest cost inflation
- Benefits from strategic footprint alignment initiative

4Q09: Higher YoY earnings

- Strong operating performance offset higher non-operational costs
- Higher price/mix benefited earnings
- YoY volume trends improved, in line with expectations
- Cash used for capex, debt reduction, accelerated pension funding

2010 business outlook

- Positive price/mix and modest cost inflation
- Significant operating leverage to improved volumes
- Higher non-operational costs

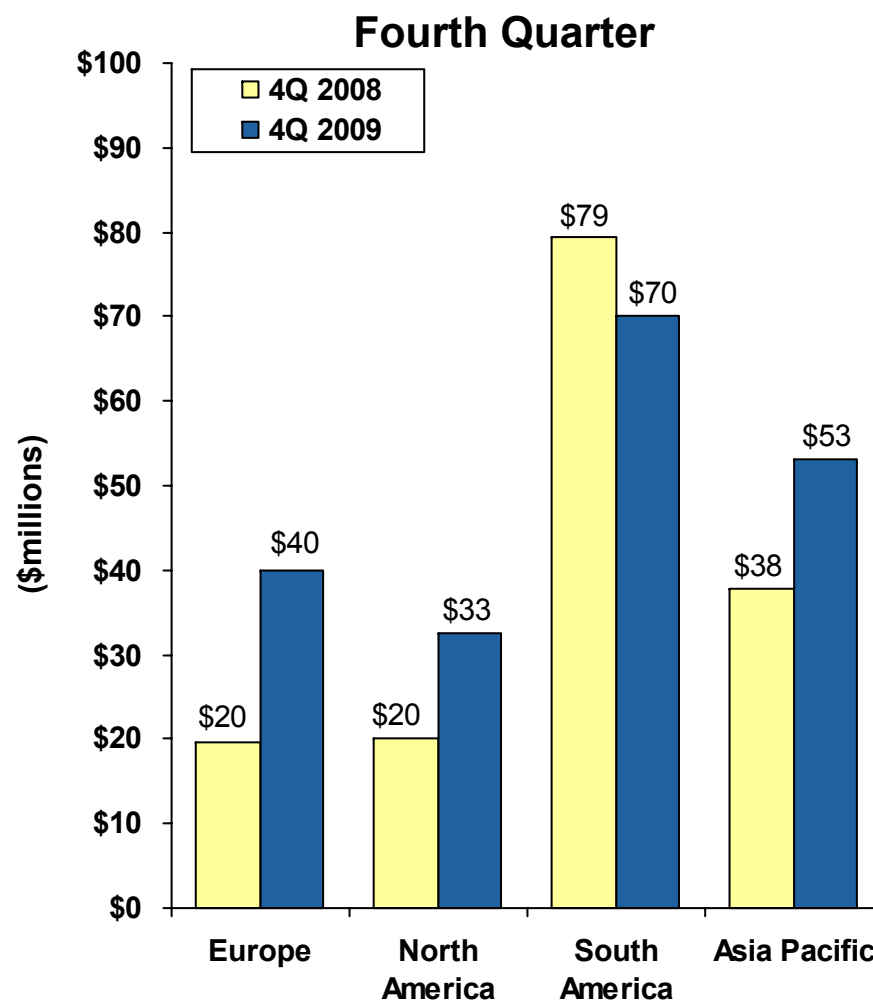
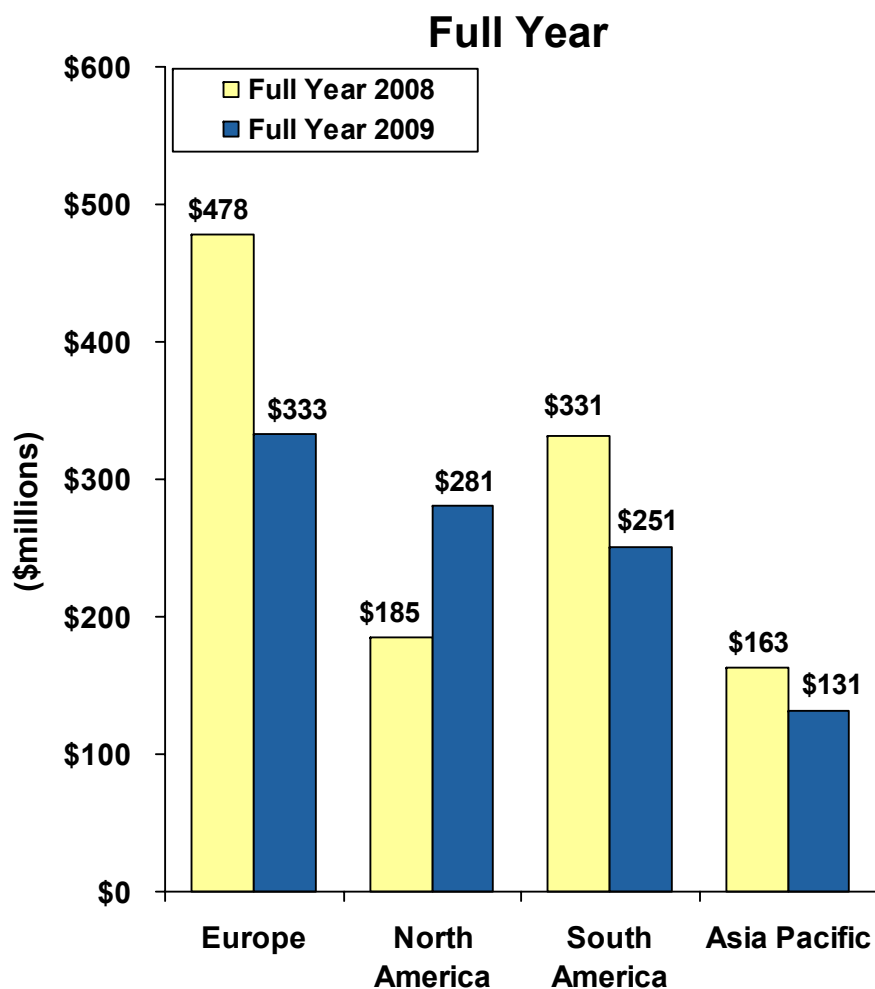
Adjusted Net Earnings Per Share ⁽¹⁾



¹ EPS from continuing operations exclusive of items management considers not representative of ongoing operations. A description of all items that management considers not representative of ongoing operations and a reconciliation of the GAAP to non-GAAP earnings and earnings per share can be found in the appendix to this presentation.

Business Discussion: Segment Operating Profit

Solid finish to a year impacted by challenging market conditions



Financial Review: 4Q09 Sales, Profit and EPS Reconciliations

Higher operating profit more than offsets larger non-operational costs

| | Reportable Segments | | Adjusted Net |
|--|----------------------|------------------|----------------|
| | Sales ⁽¹⁾ | Operating Profit | Income |
| | (\$ Millions) | (\$ Millions) | (Non-GAAP EPS) |
| 4Q08 | \$1,697 | \$157 | \$0.45 |
| Price and product mix | 76 | 76 | 0.37 |
| Sales volume | (102) | (34) | (0.17) |
| Currency translation | 183 | 26 | 0.13 |
| Manufacturing and delivery ⁽²⁾ | - | (32) | (0.16) |
| Operating expenses | - | 10 | 0.05 |
| Operations | 157 | 46 | 0.22 |
| Other (principally exchange losses on Venezuelan bolivars) | - | (7) | (0.04) |
| Interest expense | - | - | (0.03) |
| Retained corporate costs | - | - | (0.10) |
| Non-controlling interests | - | - | 0.07 |
| Effective tax rate | - | - | (0.08) |
| Non-Operational | - | (7) | (0.18) |
| Total reconciling items | 157 | 39 | 0.04 |
| 4Q09 | \$1,854 | \$196 | \$0.49 |

¹ Reportable segment sales exclude \$12 million, principally for the company's global equipment sales business.

² The major components of the 4Q09 manufacturing and delivery line include approximately \$24 million of higher production volume costs (primarily temporary production curtailments), \$26 million of higher maintenance/production costs and a \$18 million benefit from the strategic footprint initiative.

Financial Review: Full Year 09 Sales, Profit and EPS Reconciliations

Achieved segment profit of nearly \$1 billion

| | Reportable Segments | | Adjusted Net |
|---|----------------------|------------------|----------------|
| | Sales ⁽¹⁾ | Operating Profit | Income |
| | (\$ Millions) | (\$ Millions) | (Non-GAAP EPS) |
| Full Year 2008 | \$7,808 | \$1,157 | \$3.80 |
| Price and product mix | 377 | 377 | 1.69 |
| Sales volume | (820) | (280) | (1.26) |
| Currency translation | (344) | (35) | (0.16) |
| Manufacturing and delivery ⁽²⁾ | - | (206) | (0.91) |
| Operating expenses | - | 4 | 0.02 |
| Operations | (787) | (140) | (0.62) |
| Other (principally exchange losses on Venezuelan bolivars) | - | (21) | (0.12) |
| Interest expense | - | - | 0.12 |
| Retained corporate costs | - | - | (0.30) |
| Non-controlling interests | - | - | 0.15 |
| Effective tax rate | - | - | (0.10) |
| Non-Operational | - | (21) | (0.25) |
| Total reconciling items | (787) | (161) | (0.87) |
| Full Year 2009 | \$7,021 | \$996 | \$2.93 |

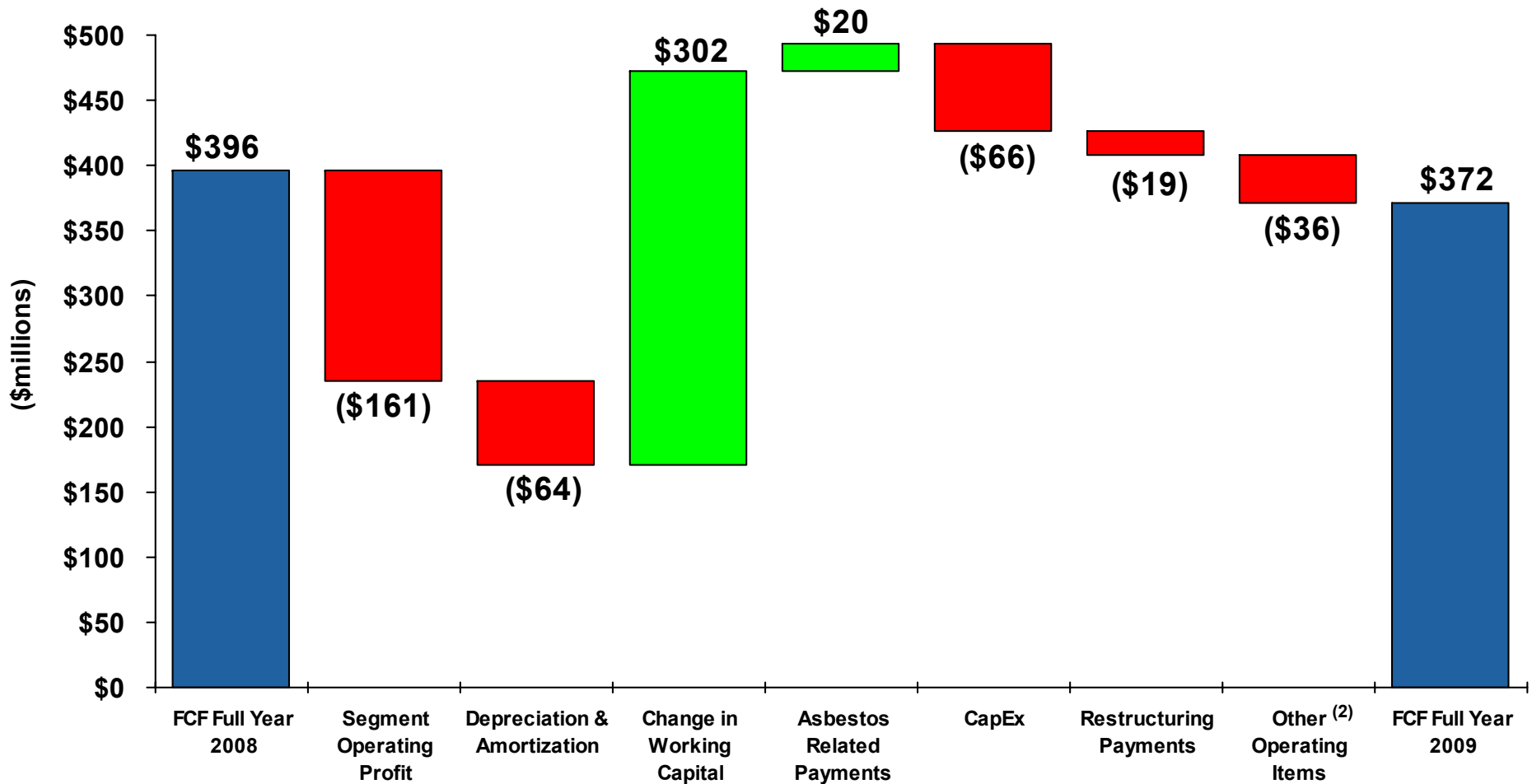
1 Reportable segment sales exclude \$46 million, principally for the company's global equipment sales business.

2 The major components of the full year 2009 manufacturing and delivery line include approximately \$302 million of higher production volume costs (primarily temporary production curtailments), \$54 million in cost inflation, a benefit of \$28 million from lower warehouse, delivery, and other production costs, and a \$122 million benefit from the strategic footprint initiative.

Financial Review: Free Cash Flow Reconciliation ⁽¹⁾

2009 free cash flow rivals record 2008 level

Full Year: 2008 vs. 2009



¹ Free Cash Flow equals cash provided by continuing operating activities less capital spending for continuing operations.

² Other Operating Items is comprised of retained corporate costs, non-controlling interests, current tax expense, net interest, other non-cash charges and changes in other non-current assets/liabilities.

Financial Review: Balance Sheet and Cash Flow

Improvement in already strong financial position supports strategic priorities

Cash and Debt

- Year-end Cash: \$812 million 2009; \$380 million 2008
- Year-end Reported Debt: \$3.61 billion 2009; \$3.33 billion 2008
- Year-end Net Debt: \$2.80 billion 2009; \$2.95 billion 2008
 - \$372 million free cash flow
 - 2.2x leverage ratio per bank credit agreement ⁽¹⁾
- \$760 million available under global revolving credit facility

Capital and Restructuring:

- Capital Investments: \$234 million 4Q09; \$428 million FY09
- Restructuring Payments: \$26 million 4Q09; \$68 million FY09

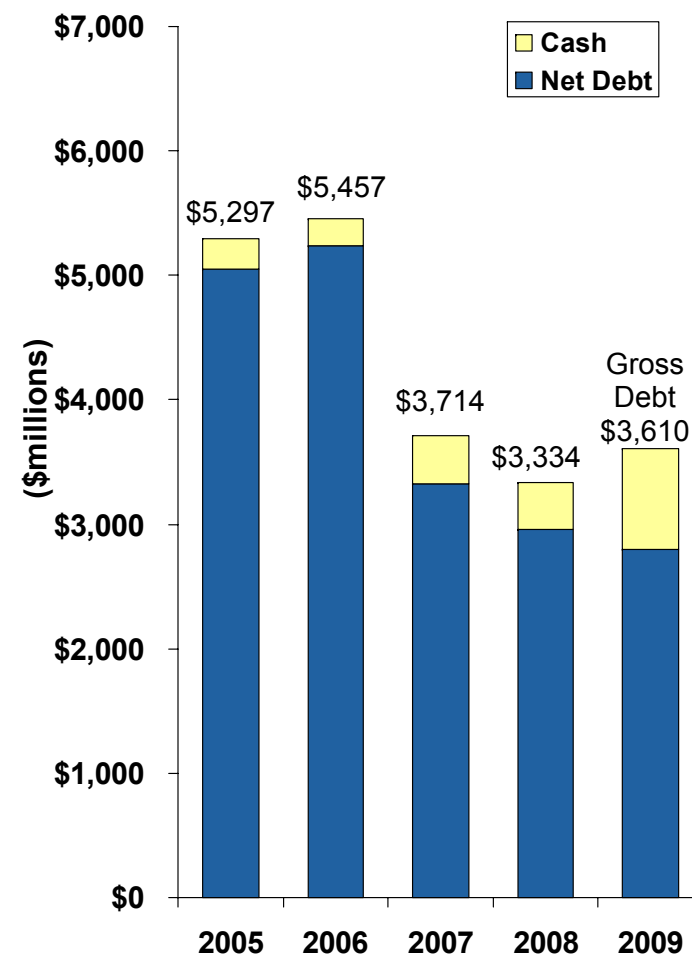
Other uses of Cash in 4Q09

- Debt Reduction: \$63 million
- Accelerated Non-US Pension Funding: \$50 million

Venezuela Update

- Adopted parallel rate for balance sheet at year-end 2009
- Deemed highly inflationary economy for 2010
- Official currency devalued in January 2010

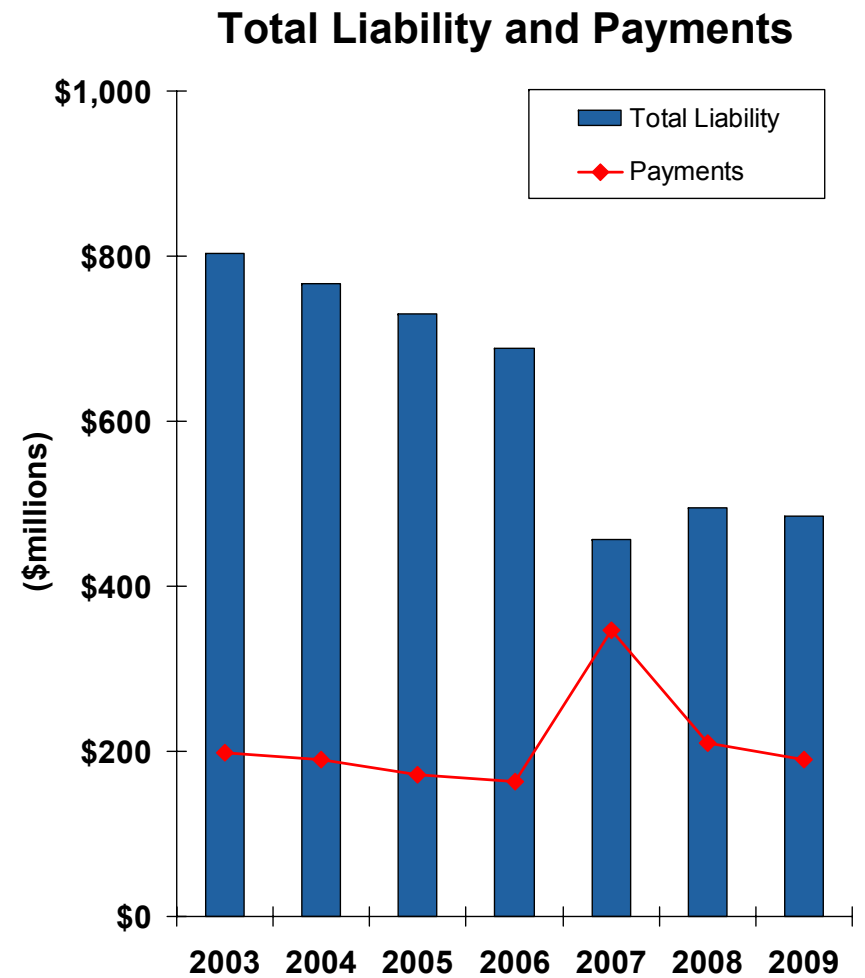
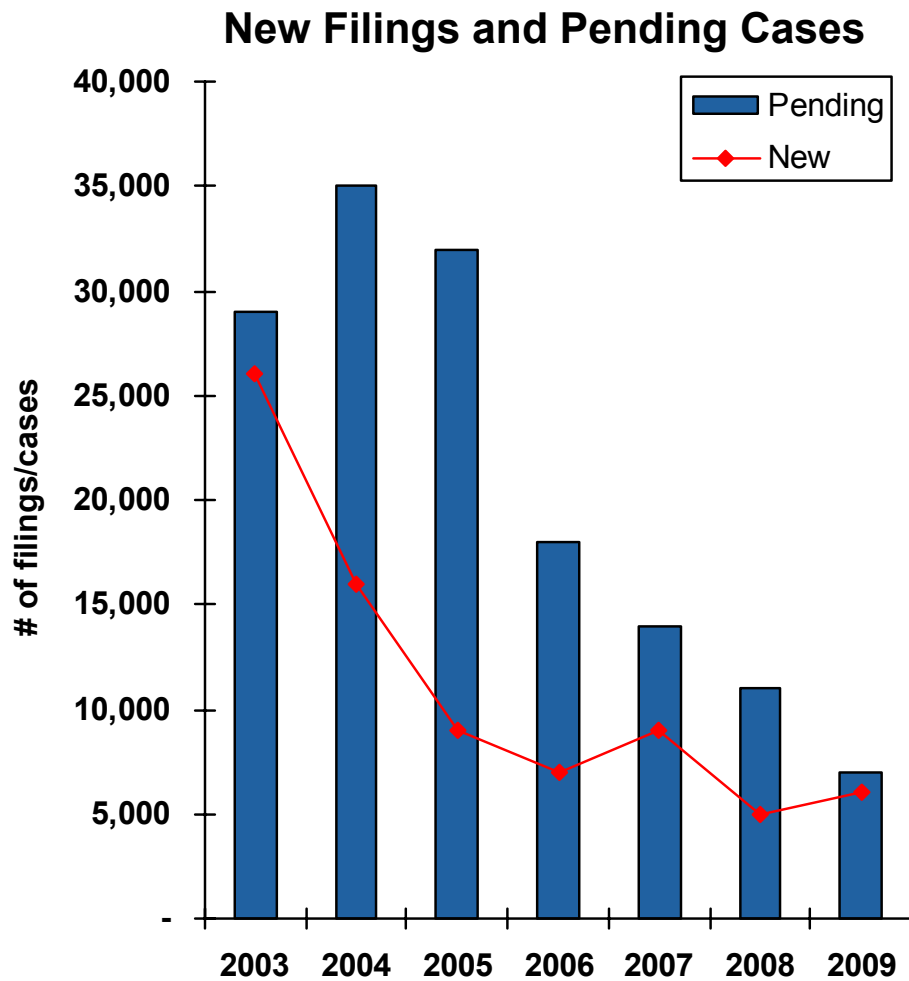
Gross and Net Debt



¹ Total debt less cash divided by bank credit agreement EBITDA.

Asbestos Review













Asbestos-related cases and payments continue to decline



Business Outlook: 1Q10 and Full Year 2010 ⁽¹⁾

Well positioned to drive profitable growth in 2010 as market recovers

Favorable / Unfavorable
Impact on Earnings

| Year-over-Year | 1Q10 vs 1Q09 | FY10 vs FY09 | Additional 2010 annual commentary |
|-----------------------------------|---|--|--|
| Operational Factors | | | |
| Price/Mix |  |  | - Earnings sensitivity: For every 1% change in price/mix, the impact on annual EPS is \$0.25 to \$0.30/share |
| Sales Volume |  |  | - Earnings sensitivity: For every 1% change in sales volume, the impact on annual EPS is \$0.08 to \$0.12/share |
| Temporary Production Curtailments |  |  | - Earnings sensitivity: For every 1% change in production volume, the impact on annual EPS is \$0.08 to \$0.12/share |
| Cost Inflation |  |  | - \$50-80 million annual cost inflation |
| Incremental footprint Savings |  |  | - \$50-80 million incremental annual cost savings |
| Non-Operational Costs |  |  | - Retained Corp/Other: Incremental \$50 million - Mostly due to higher pension expense - Interest expense: Incremental \$20-40 million - Tax ETR: 27% +/- |
| Other Items | N/A | N/A | - Capital expenditures: \$475 million - Restructuring payments: \$100 million - Pension contributions: \$15 million |

(1) - All items are estimates, all estimates are approximate, estimates are subject to change throughout the year. Reported results can be significantly affected by changing foreign currency exchange rates.

Concluding Remarks and Q&A

Investor day

Thursday, March 18, 2010, 8:30am ET at New York Stock Exchange

First quarter 2010 earnings dates

Press release to be issued after market close Wednesday, April 28, 2010

Earnings conference call Thursday, April 29, 2010, 8:30 a.m. ET

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Appendix

Reconciliation of GAAP to non-GAAP Items (4Q)

| \$ Millions, except per share amounts | Three months ended December 31 | | | |
|--|--------------------------------|----------------|-----------------|----------------|
| | 2009 | | 2008 | |
| | <u>Earnings</u> | <u>EPS</u> | <u>Earnings</u> | <u>EPS</u> |
| Net loss attributable to the Company | \$ (159.3) | \$ (0.95) | \$ (229.7) | \$ (1.39) |
| Less loss from discontinued operations | | | \$ (1.1) | \$ (0.01) |
| Loss from continuing operations | \$ (159.3) | \$ (0.95) | \$ (228.6) | \$ (1.38) |
| <i>Items that management considers not representative of ongoing operations consistent with Segment Operating Profit</i> | | | | |
| • Charges for asbestos-related costs | 180.0 | 1.06 | 248.8 | 1.47 |
| • Charges for restructuring and asset impairment | 93.8 | 0.55 | 16.5 | 0.09 |
| • Charges for Venezuela currency remeasurement | 17.6 | 0.10 | | |
| • Non-cash tax benefit transferred from other comprehensive income (equity) | (47.9) | (0.28) | | |
| • Dilutive effect of options and other | | 0.01 | | 0.04 |
| • Net charges related to tax restructuring and other | | | 39.5 | 0.23 |
| Adjusted net earnings | <u>\$ 84.2</u> | <u>\$ 0.49</u> | <u>\$ 76.2</u> | <u>\$ 0.45</u> |
| Diluted shares outstanding (millions) | 171.7 | | 169.4 | |

Reconciliation of GAAP to non-GAAP Items (Full Year)

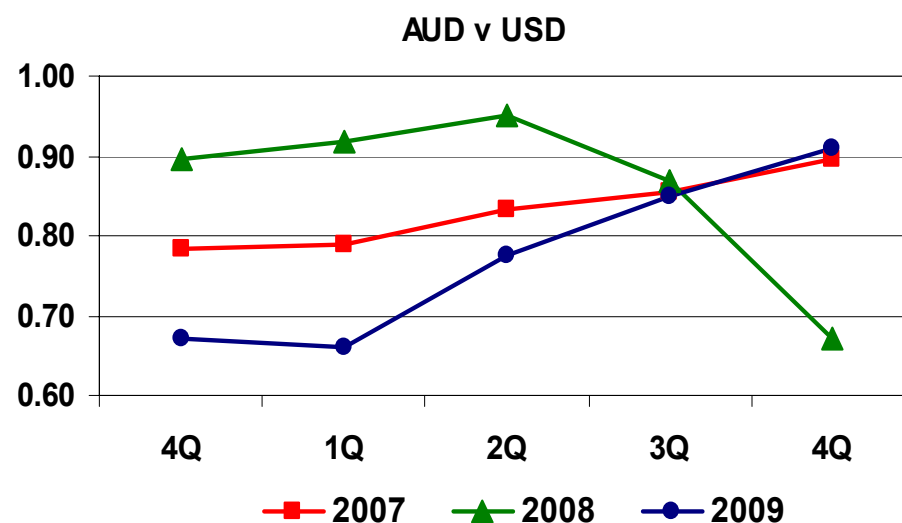
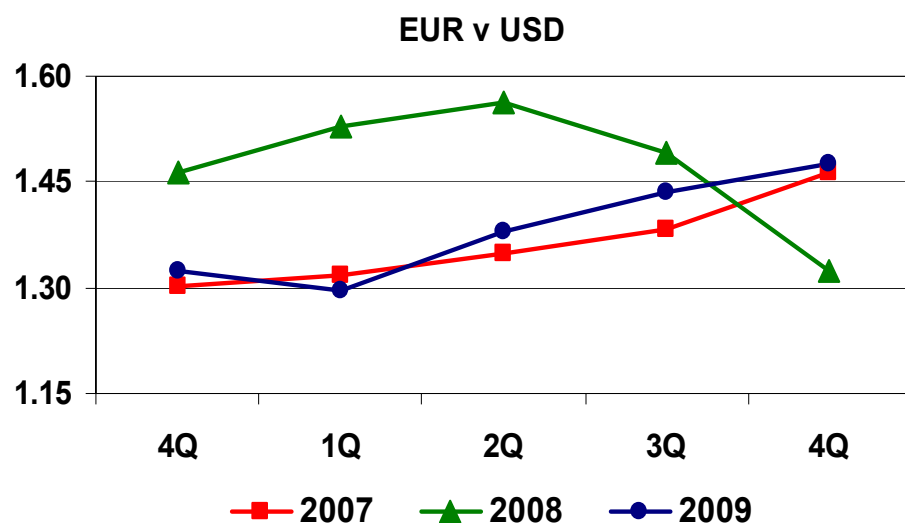
| \$ Millions, except per share amounts | Twelve months ended December 31 | | | |
|--|---------------------------------|---------|----------|---------|
| | 2009 | | 2008 | |
| | Earnings | EPS | Earnings | EPS |
| Net earnings attributable to the Company | \$ 161.8 | \$ 0.95 | \$ 258.3 | \$ 1.52 |
| Less gain on sale of discontinued operations | | - | 6.8 | 0.04 |
| Earnings from continuing operations | \$ 161.8 | \$ 0.95 | 251.5 | 1.48 |
| <i>Items that management considers not representative of ongoing operations consistent with Segment Operating Profit</i> | | | | |
| • Charges for asbestos-related costs | 180.0 | 1.06 | 248.8 | 1.47 |
| • Charges for restructuring and asset impairment | 182.8 | 1.07 | 110.1 | 0.65 |
| • Charges for Venezuela currency remeasurement | 17.6 | 0.10 | | |
| • Charges for note repurchase premiums and write-off of finance fees | 5.2 | 0.03 | | |
| • Non-cash tax benefit transferred from other comprehensive income (equity) | (47.9) | (0.28) | | |
| • Net benefit related to tax legislation, restructuring, and other | | | 34.8 | 0.20 |
| Adjusted net earnings | \$ 499.5 | \$ 2.93 | \$ 645.2 | \$ 3.80 |
| Diluted shares outstanding (millions) | 170.5 | | 169.7 | |

Free Cash Flow

| \$ Millions | Three months ended Dec. 31 | | Twelve months ended Dec. 31 | |
|---|-------------------------------|------------|--------------------------------|----------|
| | 2009 | 2008 | 2009 | 2008 |
| Net earnings (loss) attributable to the Company | \$ (159.3) | \$ (229.7) | \$ 161.8 | \$ 258.3 |
| Gain (loss) from discontinued operations | - | (1.1) | - | 6.8 |
| Earnings (loss) from continuing operations | (159.3) | (228.6) | 161.8 | 251.5 |
| Non-cash charges: | | | | |
| Depreciation and amortization | 103.6 | 99.1 | 395.9 | 459.9 |
| Asbestos-related costs | 180.0 | 250.0 | 180.0 | 250.0 |
| Restructuring and asset impairment | 100.5 | 21.6 | 213.6 | 133.3 |
| Non cash tax benefit | (47.9) | - | (47.9) | - |
| All other non-cash charges | 66.2 | 98.8 | 169.5 | 168.9 |
| Payments and other reconciling items: | | | | |
| Asbestos-related payments | (67.9) | (69.9) | (190.3) | (210.2) |
| Restructuring payments | (25.6) | (20.9) | (68.3) | (48.9) |
| Change in components of working capital | 144.9 | 45.6 | 143.3 | (158.6) |
| Change in non-current assets and liabilities | (73.9) | (19.4) | (157.6) | (88.7) |
| Cash provided by cont. operating activities | 220.6 | 176.3 | 800.0 | 757.2 |
| Additions to PP&E for continuing operations | (233.9) | (123.2) | (427.6) | (361.7) |
| Free Cash Flow ⁽¹⁾ | \$ (13.3) | \$ 53.1 | \$ 372.4 | \$ 395.5 |

⁽¹⁾ Free Cash Flow equals cash provided by continuing operating activities less capital spending for continuing operations.

Foreign Currency Exchange Rate Trends ⁽¹⁾



FX Translation Impact on Sales, Segment Operating Profit and Non-GAAP EPS (Compared to prior year)

| \$ Millions except EPS | 2008 | | | | | 2009 | | | | |
|--------------------------|--------|--------|-------|----------|--------|----------|----------|---------|--------|----------|
| | 1Q | 2Q | 3Q | 4Q | Year | 1Q | 2Q | 3Q | 4Q | Year |
| Sales | \$ 187 | \$ 202 | \$ 82 | \$ (195) | \$ 276 | \$ (246) | \$ (208) | \$ (72) | \$ 183 | \$ (344) |
| Segment Operating Profit | 35 | 32 | 13 | (24) | 56 | (29) | (23) | (10) | 26 | (35) |
| Non-GAAP EPS | 0.14 | 0.14 | 0.06 | (0.13) | 0.25 | (0.13) | (0.10) | (0.04) | 0.13 | (0.16) |

⁽¹⁾ Average exchange rate for the quarter