

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

Unaudited	Three Months Ended March 31						Year Ended December 31								
	2020		2019		2019		2018		2017						
	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	\$ 1,561	\$ -	\$ 1,561	\$ 1,638	\$ -	\$ 1,638	\$ 6,691	\$ -	\$ 6,691	\$ 6,877	\$ -	\$ 6,877	\$ 6,869	\$ -	\$ 6,869
Cost of goods sold	(1,293)	-	(1,293)	(1,340)	-	(1,340)	(5,483)	-	(5,483)	(5,594)	-	(5,594)	(5,536)	-	(5,536)
Gross profit	268	-	268	298	-	298	1,208	-	1,208	1,283	-	1,283	1,333	-	1,333
Selling and administrative expense	(116)	-	(116)	(115)	-	(115)	(439)	-	(439)	(483)	-	(483)	(484)	-	(484)
Research, development and engineering expense	(16)	-	(16)	(16)	-	(16)	(68)	-	(68)	(70)	-	(70)	(60)	-	(60)
Interest expense, net	(53)	-	(53)	(65)	-	(65)	(311)	-	(311)	(261)	-	(261)	(268)	-	(268)
Equity earnings	15	-	15	19	-	19	78	-	78	77	-	77	77	-	77
Other expense, net (incl. goodwill impairment) <sup>(a)</sup>	(3)	(14)	(17)	(10)	-	(10)	(671)	(58)	(729)	(144)	(125)	(269)	(323)	-	(323)
Earnings (loss) from continuing operations before income taxes	95	(14)	81	111	-	111	(203)	(58)	(261)	402	(125)	277	275	-	275
Provision for income taxes	(26)	-	(26)	(27)	-	(27)	(118)	-	(118)	(108)	-	(108)	(70)	-	(70)
Earnings (loss) from continuing operations	69	(14)	55	84	-	84	(321)	(58)	(379)	294	(125)	169	205	-	205
Gain (loss) from discontinued operations	-	-	-	-	-	-	(3)	-	(3)	113	-	113	(3)	-	(3)
Net earnings (loss)	69	(14)	55	84	-	84	(324)	(58)	(382)	407	(125)	282	202	-	202
Net earnings attributable to noncontrolling interests	(5)	-	(5)	(5)	-	(5)	(18)	-	(18)	(25)	-	(25)	(22)	-	(22)
Net earnings (loss) attributable to the Company	\$ 64	\$ (14)	\$ 50	\$ 79	\$ -	\$ 79	\$ (342)	\$ (58)	\$ (400)	\$ 382	\$ (125)	\$ 257	\$ 180	\$ -	\$ 180

(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, 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 first quarter 2020 operating results. See Notes 10 and 13 to O-I Glass's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020.

In 2019 and 2018, Non O-I Group includes charges for asbestos-related costs of \$35 million and \$125 million, respectively, and costs associated with the Corporate Modernization transactions of \$23 million in 2019. 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 indentures governing the senior notes issued by O-I Glass's wholly owned subsidiaries, Owens Brockway Glass Container Inc. and OI European Group B.V., for 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. 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 are unaudited but, in the opinion of management, reflect all adjustments necessary to present fairly such information for the periods and at the dates indicated. However, these schedules do not contain all information and footnotes normally contained in annual consolidated financial statements; accordingly, they should be read in conjunction with the Consolidated Financial Statements and notes thereto appearing in O-I Glass's Annual Report on Form 10-K for the year ended December 31, 2019, and O-I Glass's Quarterly Report on Form 10-Q for the three months ended March 31, 2020. Information presented in these schedules for periods and at dates prior to the Corporate Modernization (as described in O-I Glass's Annual Report on Form 10-K for the year ended December 31, 2019) refers to Owens-Illinois, Inc.

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

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

Unaudited	March 31						December 31					
	2020			2019			2019			2018		
	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
<b>Assets</b>												
<b>Current assets:</b>												
Cash and cash equivalents	\$ 891	\$ -	\$ 891	\$ 326	\$ -	\$ 326	\$ 545	\$ 6	\$ 551	\$ 512	\$ -	\$ 512
Trade receivables, net	767		767	939		939	621		621	549		549
Inventories	1,047		1,047	1,038		1,038	1,045		1,045	1,018		1,018
Prepaid expenses and other current assets	257		257	276		276	271		271	278		278
Total current assets	2,962	-	2,962	2,579	-	2,579	2,482	6	2,488	2,357	-	2,357
Property, plant and equipment, net	2,987		2,987	3,074		3,074	3,273		3,273	3,085		3,085
Goodwill	1,773		1,773	2,507		2,507	1,934		1,934	2,513		2,513
Intangibles, net	312		312	394		394	371		371	400		400
Other assets	1,470		1,470	1,598		1,598	1,540	4	1,544	1,344		1,344
<b>Total assets</b>	<b>\$ 9,504</b>	<b>\$ -</b>	<b>\$ 9,504</b>	<b>\$ 10,152</b>	<b>\$ -</b>	<b>\$ 10,152</b>	<b>\$ 9,600</b>	<b>\$ 10</b>	<b>\$ 9,610</b>	<b>\$ 9,699</b>	<b>\$ -</b>	<b>\$ 9,699</b>
<b>Liabilities and Share Owners' Equity</b>												
<b>Current liabilities:</b>												
Accounts payable	\$ 1,025		\$ 1,025	\$ 1,065	\$ -	\$ 1,065	\$ 1,276		\$ 1,276	\$ 1,321	\$ -	\$ 1,321
Short-term loans and long-term debt due within one year	283		283	91		91	124		124	160		160
Current portion of asbestos-related liabilities <sup>(a)</sup>					160	160					160	160
Other liabilities	516		516	544		544	581	14	595	566		566
Total current liabilities	1,824	-	1,824	1,700	160	1,860	1,981	14	1,995	2,047	160	2,207
Long-term debt	6,115		6,115	5,820		5,820	5,435		5,435	5,181		5,181
Asbestos-related liabilities <sup>(a)</sup>					372	372	-	486	486	-	442	442
Paddock support agreement liability <sup>(b)</sup>		471	471									
Other long-term liabilities	1,018		1,018	1,090		1,090	1,122	8	1,130	969		969
Share owners' equity <sup>(c)</sup>	547	(471)	76	1,542	(532)	1,010	1,062	(498)	564	1,502	(602)	900
<b>Total liabilities and share owners' equity</b>	<b>\$ 9,504</b>	<b>\$ -</b>	<b>\$ 9,504</b>	<b>\$ 10,152</b>	<b>\$ -</b>	<b>\$ 10,152</b>	<b>\$ 9,600</b>	<b>\$ 10</b>	<b>\$ 9,610</b>	<b>\$ 9,699</b>	<b>\$ -</b>	<b>\$ 9,699</b>

- (a) As a result of the Corporate Modernization transactions, completed in December 2019, asbestos-related liabilities reside at Paddock. For additional information, see "Critical Accounting Estimates" and Notes 14 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 and Note 10 to O-I Glass's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020.
- (b) As part of the Corporate Modernization transactions, completed in December 2019, O-I Glass entered into a support agreement with Paddock that requires O-I Glass to provide funding to Paddock for all permitted uses, subject to the terms of the support agreement. O-I Glass recognized a liability related to the support agreement of \$471 million as of March 31, 2020. See Note 10 to O-I Glass's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020.
- (c) Share owners' equity includes net intercompany balances

**Explanatory note:**

The purpose of these consolidating financial schedules is to comply with the reporting provisions of the indentures governing the senior notes issued by O-I Glass's wholly owned subsidiaries, Owens Brockway Glass Container Inc. and OI European Group B.V., for 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. 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 are unaudited but, in the opinion of management, reflect all adjustments necessary to present fairly such information for the periods and at the dates indicated. However, these schedules do not contain all information and footnotes normally contained in annual consolidated financial statements; accordingly, they should be read in conjunction with the Consolidated Financial Statements and notes thereto appearing in O-I Glass's Annual Report on Form 10-K for the year ended December 31, 2019, and O-I Glass's Quarterly Report on Form 10-Q for the three months ended March 31, 2020. Information presented in these schedules for periods and at dates prior to the Corporate Modernization (as described in O-I Glass's Annual Report on Form 10-K for the year ended December 31, 2019) refers to Owens-Illinois, Inc.

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

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

Unaudited	Three Months Ended March 31						Year Ended December 31								
	2020			2019			2019			2018			2017		
	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	O-I Group	Non O-I Group	O-I Glass
<b>Cash flows from operating activities:</b>															
Net earnings (loss) <sup>(a)</sup>	\$ 69	\$ (14)	\$ 55	\$ 84	\$ -	\$ 84	\$ (324)	\$ (58)	\$ (382)	\$ 407	\$ (125)	\$ 282	\$ 202	\$ -	\$ 202
Loss from discontinued operations							3		3	(113)		(113)	3		3
<b>Non-cash charges</b>															
Depreciation and amortization	126		126	126		126	509		509	507		507	501		501
Pension expense	9		9	8		8	32		32	32		32	29		29
Restructuring, asset impairment and related charges							69		69	92		92	72		72
Charges for asbestos-related costs								35	35		125	125			
Pension settlement charges							26		26	74		74	218		218
Charge for goodwill impairment							595		595						
Gain on sale of equity investment							(107)		(107)						
Other asset impairments							22		22						
<b>Cash payments</b>															
Pension contributions	(13)		(13)	(11)		(11)	(33)		(33)	(34)		(34)	(31)		(31)
Asbestos-related payments					(71)	(71)		(151)	(151)		(105)	(105)		(110)	(110)
Cash paid for restructuring activities	(8)		(8)	(15)		(15)	(54)		(54)	(32)		(32)	(62)		(62)
Change in components of working capital	(461)		(461)	(697)		(697)	(190)	14	(176)	15		15	(89)		(89)
Other, net <sup>(b)</sup>	(37)	14	(23)	(19)		(19)	24	(4)	20	(50)		(50)	(9)		(9)
Cash provided by (utilized in) continuing operating activities	(315)	-	(315)	(524)	(71)	(595)	572	(164)	408	898	(105)	793	834	(110)	724
Cash utilized in discontinued operating activities							(3)		(3)	(2)		(2)	(3)		(3)
Total cash provided by (utilized in) operating activities	(315)	-	(315)	(524)	(71)	(595)	569	(164)	405	896	(105)	791	831	(110)	721
<b>Cash flows from investing activities:</b>															
Cash payments for property, plant and equipment	(120)		(120)	(121)		(121)	(426)		(426)	(536)		(536)	(441)		(441)
Acquisitions, net of cash acquired							(190)		(190)	(123)		(123)	(39)		(39)
Contributions and advances to joint ventures				(15)		(15)	(22)		(22)	(52)		(52)			
Net cash proceeds on disposal of assets				1		1	197		197	11		11	14		14
Deconsolidation of Paddock <sup>(a)</sup>		(47)	(47)												
Other, net	2		2				4		4	2		2			
Cash utilized in investing activities	(118)	(47)	(165)	(135)	-	(135)	(437)	-	(437)	(698)	-	(698)	(466)	-	(466)
Cash provided by discontinued investing activities													115		115
Total cash utilized in investing activities	(118)	(47)	(165)	(135)	-	(135)	(437)	-	(437)	(698)	-	(698)	(351)	-	(351)
<b>Cash flows from financing activities:</b>															
Changes in borrowings, net	859		859	589		589	215		215	140		140	(342)		(342)
Issuance of common stock and other		(2)	(2)		(3)	(3)		(4)	(4)	5		5	(6)	1	(5)
Treasury shares repurchased				(38)		(38)		(38)	(38)		(163)	(163)			
Payment of finance fees and note repurchase premiums							(85)		(85)	(13)		(13)	(28)		(28)
Dividends paid		(8)	(8)		(8)	(8)		(31)	(31)						
Net cash proceeds for hedging activity							28		28						
Net distributions to parent	(51)	51		(120)	120		(243)	243		(268)	268		(109)	109	
Distributions to noncontrolling interests							(17)		(17)	(22)		(22)	(17)		(17)
Cash provided by (utilized in) financing activities	808	41	849	469	71	540	(102)	170	68	(158)	105	(53)	(502)	110	(392)
Effect of exchange rate fluctuations on cash	(29)		(29)	4		4	3		3	(20)		(20)	22		22
Change in cash	346	(6)	340	(186)	-	(186)	33	6	39	20	-	20	-	-	-
Cash at beginning of period	545	6	551	512	-	512	512	-	512	492	-	492	492	-	492
Cash at end of period	\$ 891	\$ -	\$ 891	\$ 326	\$ -	\$ 326	\$ 545	\$ 6	\$ 551	\$ 512	\$ -	\$ 512	\$ 492	\$ -	\$ 492

(a) On the Petition Date, 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 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, were derecognized from 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. Taken together, these transactions resulted in a loss of approximately \$14 million, which was reflected as a charge in the O-I Glass's first quarter 2020 operating results. See Note 10 to O-I Glass's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020.

In 2019 and 2018, Non O-I Group includes charges for asbestos-related costs of \$35 million and \$125 million, respectively, and costs associated with the Corporate Modernization transactions of \$23 million in 2019. 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.

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

**Explanatory note:**

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