

NEWS RELEASE

CONSUMERS PACKAGING PROPOSES TO SELL CANADIAN ASSETS TO OWENS-ILLINOIS, INC.

Toronto, Canada (August 3, 2001) – Consumers Packaging Inc. (TSE: CGC) today announced that it will seek the approval of the Ontario Superior Court of Justice to sell substantially all of its Canadian glass producing assets to Owens-Illinois, Inc. of Toledo, Ohio (NYSE: OI) for approximately \$235 million (Canadian). The transaction includes the Company's shareholdings in Consumers U.S. Inc.

The sale to Owens-Illinois excludes the Company's plant in Glenshaw, Pennsylvania, which operates as Glenshaw Glass; a wholly owned glass manufacturing plant in Italy (Consumers Glass s.r.l.); AD-Zorya, a joint venture in the Ukraine; Phoenicia Glass Works (Israel); a Belarus joint venture; and the Pet Pak Containers division, an Ontario-based producer of plastic containers for the food and beverage industry. The Company intends to dispose of these assets in separate transactions and/or restructure the balance of its indebtedness, subject to Court approval.

Owens-Illinois intends to finance the transaction in part by arranging for assumption of CPI's existing bank credit facility. Proceeds from the sale will be used to partially repay indebtedness owing to the Company's secured and unsecured creditors for claims outstanding against the Company when it filed for Court protection on May 23 under the Companies' Creditors Arrangement Act.

A Court date will be scheduled for late August to hear the Company's application to approve the sale. The Company has been operating under the CCAA in the normal course while it developed a restructuring plan for its future operations. The Company has deferred scheduled interest and principal payments on two series of bonds and on other debts since February.

Closing of the sale transaction is scheduled for late September, 2001 and will be subject to court and regulatory approvals as well as certain conditions, including completion of definitive agreements.

Under the oversight of a special restructuring committee of the Board of Directors, the Company established a rigorous process to examine restructuring proposals from third parties. KPMG Inc., which was appointed by the Court as Monitor under the CCAA, assisted in evaluating the proposals received and in negotiating the final terms of the transaction with Owens-Illinois.

"We are confident that the Owens-Illinois proposal, which offers the largest amount of cash of all the restructuring proposals, represents the maximum value that can be achieved at this time for the Company's assets," said Brent Ballantyne, Chief Restructuring Officer and Chief Executive Officer.

"Unfortunately, the Owens-Illinois proposal will not provide sufficient cash to repay secured and unsecured creditors in full, nor does it leave the Company's shareholders with any residual value, after the sale of assets and priority payments are made.

"However, Owens-Illinois, which will assume operating control of the Company's assets after closing, is a major player with an impressive track record as the industry leader in technology, and for its low cost and highly productive operations. It is the leading supplier in almost all of the market segments it serves.

"Our employees will be pleased to know that Owens-Illinois has the financial and operating strength to maintain the Company's operations in the future. Owens-Illinois also will assume all liabilities under the pension and employee benefit plans of the Canadian operations. The customers of Consumers Packaging will benefit from the involvement of Owens-Illinois, with its well-known track record of meeting the needs of its customers in specific regional, national and international markets," said Mr. Ballantyne.

Owens-Illinois, with annual revenues exceeding U.S. \$5.5 billion and employing approximately 34,000 people worldwide, is the largest manufacturer of glass containers in North America, South America, Australia, New Zealand, and China, and one of the largest in Europe. It also is a worldwide manufacturer of plastics packaging, with operations in North America, South America, Australia, Europe, and Asia. It operates 140 manufacturing facilities.

Consumers Packaging employs approximately 2,400 people in Canada. It manufactures and sells glass containers for the food and beverage industry. It supplies packaging products for the Canadian juice, food, beer, wines and liquor industries from three plants in Ontario (Toronto, Brampton and Milton), and one each in Quebec (Montreal), New Brunswick (Scoudouc) and British Columbia (Lavington).

Please visit our web site (www.consumersglass.com) for further information.

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Background

Owens-Illinois, Inc.

Owens-Illinois, Inc., is one of the world's leading manufacturers of glass and plastics packaging products.

O-I is 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. Approximately 50% of the glass containers made worldwide are manufactured by O-I, its affiliates, or its licensees. The company supplies glass bottles and jars to the food, beer, beverage, drug and chemical, and wine and liquor industries. O-I is also the leading recycler of glass containers in the U.S., with nearly a million tons recycled annually.

Owens-Illinois also is a worldwide manufacturer of plastics packaging items for personal care, household, health care, food, and beverage products, with operations in North America, South America, Australia, Europe, and Asia. These plastics packaging items include containers, closures, and prescription containers.

The company's annual sales exceed \$5.5 billion. O-I has approximately 34,000 employees and 140 manufacturing plants worldwide, including approximately 15,000 employees and 59 manufacturing facilities in the U.S.

Owens-Illinois common stock (symbol OI) is listed on the New York Stock Exchange. The company's headquarters are in Toledo, Ohio. The Owens-Illinois web site is at www.o-i.com.