

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

Unaudited	Three Months Ended September 30						Nine Months Ended September 30					
	2021			2020			2021			2020		
	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	\$ 1,609	\$ -	\$ 1,609	\$ 1,616	\$ -	\$ 1,616	\$ 4,770	\$ -	\$ 4,770	\$ 4,595	\$ -	\$ 4,595
Cost of goods sold	(1,307)	-	(1,307)	(1,339)	-	(1,339)	(3,916)	-	(3,916)	(3,887)	-	(3,887)
Gross profit	302	-	302	277	-	277	854	-	854	708	-	708
Selling and administrative expense	(108)	-	(108)	(95)	-	(95)	(325)	-	(325)	(308)	-	(308)
Research, development and engineering expense	(19)	-	(19)	(16)	-	(16)	(57)	-	(57)	(45)	-	(45)
Interest expense, net	(50)	-	(50)	(61)	-	(61)	(153)	-	(153)	(212)	-	(212)
Equity earnings	23	-	23	21	-	21	64	-	64	49	-	49
Other expense, net ^(b)	(21)	-	(21)	250	-	250	31	(154)	(123)	161	(14)	147
Earnings (loss) before income taxes	127	-	127	376	-	376	414	(154)	260	353	(14)	339
Provision for income taxes	(43)	-	(43)	(41)	-	(41)	(144)	-	(144)	(50)	-	(50)
Earnings (loss) from continuing operations	84	-	84	335	-	335	270	(154)	116	303	(14)	289
Gain (loss) from discontinued operations	7	-	7	-	-	-	7	-	7	-	-	-
Net earnings (loss)	91	-	91	335	-	335	277	(154)	123	303	(14)	289
Net earnings attributable to noncontrolling interests	(6)	-	(6)	(7)	-	(7)	(17)	-	(17)	(11)	-	(11)
Net earnings (loss) attributable to the Company	\$ 85	\$ -	\$ 85	\$ 328	\$ -	\$ 328	\$ 260	\$ (154)	\$ 106	\$ 292	\$ (14)	\$ 278

(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.

On April 26, 2021, the Company announced that its subsidiary, Paddock Enterprises LLC ("Paddock"), had reached an agreement in principle to accept the terms of a mediator's proposal regarding a consensual plan of reorganization under the Bankruptcy Code. The agreement in principle provides for total consideration of \$610 million to fund a trust on the effective date of a plan of reorganization, subject to definitive documentation and satisfaction of certain conditions. The Company has recorded a charge of \$154 million related to its potential liability under the Paddock support agreement during the first fiscal quarter of 2021 primarily related to an increase to Paddock's asbestos reserve estimate in consideration for the channeling injunction to be included in Paddock's Plan protecting O-I Glass and its affiliates from Asbestos Claims. See Note 10 to O-I Glass's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2021.

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 September 30, 2021.

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, 2020, and O-I Glass's Quarterly Report on Form 10-Q for the three months ended September 30, 2021. 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	September 30					
	2021			2020		
	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	\$ 628	\$ -	\$ 628	\$ 606	\$ -	\$ 606
Trade receivables, net	793		793	724		724
Inventories	808		808	782		782
Prepaid expenses and other current assets	213		213	272		272
Total current assets	2,442	-	2,442	2,384	-	2,384
Property, plant and equipment, net	2,785		2,785	2,675		2,675
Goodwill	1,879		1,879	1,847		1,847
Intangibles, net	294		294	311		311
Other assets	1,366		1,366	1,407		1,407
Total assets	\$ 8,766	\$ -	\$ 8,766	\$ 8,624	\$ -	\$ 8,624
Liabilities and Share Owners' Equity						
Current liabilities:						
Accounts payable	\$ 1,062		\$ 1,062	\$ 910		\$ 910
Short-term loans and long-term debt due within one year	79		79	212		212
Other liabilities	597		597	575		575
Total current liabilities	1,738	-	1,738	1,697	-	1,697
Long-term debt	4,853		4,853	5,163		5,163
Paddock support agreement liability ^(a)		625	625		471	471
Other long-term liabilities	980		980	1,028		1,028
Share owners' equity (b)	1,195	(625)	570	736	(471)	265
Total liabilities and share owners' equity	\$ 8,766	\$ -	\$ 8,766	\$ 8,624	\$ -	\$ 8,624

(a) 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.

On April 26, 2021, the Company announced that its subsidiary, Paddock Enterprises LLC ("Paddock"), had reached an agreement in principle to accept the terms of a mediator's proposal regarding a consensual plan of reorganization under the Bankruptcy Code. The agreement in principle provides for total consideration of \$610 million to fund a trust on the effective date of a plan of reorganization, subject to definitive documentation and satisfaction of certain conditions. In connection with the agreement in principle, the Company has recorded a charge of \$154 million related to its potential liability under the Paddock support agreement as a recognizable subsequent event in the Company's consolidated results of operations for the quarter ended March 31, 2021, primarily related to an increase to Paddock's asbestos reserve estimate in consideration for the channelling injunction to be included in Paddock's Plan protecting Company Protected Parties from Asbestos Claims, as well as certain other adjustments to Paddock's assets and liabilities, including estimated professional fees and expenses to be incurred in confirming and implementing the Plan. The Paddock support agreement liability of \$625 million recorded on the Company's September 30, 2021 condensed consolidated balance sheet as required under applicable accounting standards is the Company's best estimate based on the facts and circumstances that exist at the Form 10-Q filing date. See Note to O-I Glass's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2021.

(b) 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:

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

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

Unaudited	Nine Months Ended September 30					
	2021			2020		
	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) ^{(a) (b)}	\$ 277	\$ (154)	\$ 123	\$ 303	\$ (14)	\$ 289
Gain from discontinued operations	(7)		(7)			
Non-cash charges						
Depreciation and amortization	349		349	363		363
Pension expense	24		24	30		30
Restructuring, asset impairment and related charges	20		20	72		72
Charge related to Paddock support agreement liability ^(b)	-	154	154			
Brazil indirect tax credit	(69)		(69)			
Pension settlement charges	5		5	8		8
Gain on sale of ANZ businesses				(280)		(280)
Other asset impairments						
Cash payments						
Pension contributions	(33)		(33)	(32)		(32)
Cash paid for restructuring activities	(14)		(14)	(32)		(32)
Change in components of working capital	(139)		(139)	(402)		(402)
Other, net ^(c)	36		36	98	14	112
Cash provided by operating activities	449	-	449	128	-	128
Cash provided by discontinued operating activities	7		7			
Total cash provided by operating activities	456	-	456	128	-	128
Cash flows from investing activities:						
Cash payments for property, plant and equipment	(268)		(268)	(246)		(246)
Net cash proceeds on disposal of other businesses and misc assets	8		8	2		2
Net cash proceeds on sale of ANZ business, net of transaction costs	58		58	441		441
Deconsolidation of Paddock ^(a)					(47)	(47)
Other, net				1		1
Cash provided by (utilized) in investing activities	(202)	-	(202)	198	(47)	151
Cash flows from financing activities:						
Changes in borrowings, net	(119)		(119)	(300)		(300)
Issuance of common stock and other		(2)	(2)		(3)	(3)
Shares repurchased		(30)	(30)			
Payment of finance fees and note repurchase premiums				(50)		(50)
Dividends paid					(8)	(8)
Net cash proceeds (payments) for hedging activity	(10)		(10)	(8)		(8)
Sale Leaseback proceeds in conjunction with ANZ sale				155		155
Net distributions to parent	(32)	32		(52)	52	
Distributions to noncontrolling interests	(10)		(10)	(5)		(5)
Cash provided by (utilized in) financing activities	(171)	-	(171)	(260)	41	(219)
Effect of exchange rate fluctuations on cash	(18)		(18)	(5)		(5)
Change in cash	65	-	65	61	(6)	55
Cash at beginning of period	563	-	563	545	6	551
Cash at end of period	<u>\$ 628</u>	<u>\$ -</u>	<u>\$ 628</u>	<u>\$ 606</u>	<u>\$ -</u>	<u>\$ 606</u>

(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 September 30, 2021.

(b) On April 26, 2021, the Company announced that its subsidiary, Paddock Enterprises LLC ("Paddock"), had reached an agreement in principle to accept the terms of a mediator's proposal regarding a consensual plan of reorganization under the Bankruptcy Code. The agreement in principle provides for total consideration of \$610 million to fund a trust on the effective date of a plan of reorganization, subject to definitive documentation and satisfaction of certain conditions. The Company has recorded a charge of \$154 million related to its potential liability under the Paddock support agreement during the first fiscal quarter of 2021 primarily related to an increase to Paddock's asbestos reserve estimate in consideration for the channeling injunction to be included in Paddock's Plan protecting O-I Glass and its affiliates from Asbestos Claims. See Note 10 to O-I Glass's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2021.

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

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