



Andres Lopez  
Chief Executive Officer  
One Michael Owens Way, Plaza 1  
Perrysburg OH 43551-2999

March 30, 2017

Dear Stakeholder,

Having wrapped up my first year as CEO, I am excited to share with you the progress we've made and how our transformation journey and focus on execution will drive strong, sustainable results for the Company and value for shareholders. Although significant work remains, the foundations laid out and the momentum generated in 2016 makes me optimistic that we are well positioned to capitalize on the opportunities ahead.

Last year was a pivotal year for O-I and I'm proud to say we delivered operational and financial stability as promised. O-I achieved full-year adjusted earnings of \$2.31 per share, an increase of 25 percent versus the prior year on a constant currency basis. We realized our cash flow target and made significant progress reducing debt. We met expectations each and every quarter.

These results are attributed to our focus and commitment to improving the customer experience through quality, flexibility and innovation, as well as the improvement in legacy business performance and the successful integration of the Vitro food and beverage business. Aligning our Global Leadership Team's compensation with one single set of enterprise wide objectives also drove clear leadership focus and a renewed sense of operating as a global company, leveraging scale and generating synergies. It provided an incentive for teamwork and began to tear down boundaries, enabling faster decision making, and promoting a culture of collaboration, performance and execution.

Moving into 2017, we continue to advance the position of our company, shifting from stability to the agility phase of our transformation. This requires continued improvements within the commercial, operations and supply chain areas. We are measuring our operational performance more broadly through total system cost. This approach considers end-to-end supply chain costs while integrating objectives around customer service, quality, flexibility, productivity, and overall spending. We are rigorously addressing costs, whatever the source, and also remaining focused on maximizing our customers' experience and our overall profitability.

I'm energized by the passion and commitment of the leadership team and our employees. We are simplifying the organization, leveraging our scale and delivering on one plan. We are becoming quicker and more agile, able to more effectively adapt to changing conditions and meet the needs of our customers.

While economic headwinds and uncertainties across the globe are inevitable, we are fully focused on driving performance on the aspects of the business we can control.

In 2017, we expect modest volume growth. We are on track to deliver our 2017 earnings target, consistent with the 10 percent compounded annual growth rate we presented at Investor Day in early 2016. Adjusted free cash flow is expected to remain strong, and we will use this cash to continue to de-lever our balance sheet.

All these efforts are expected to drive higher profitability and prosperity for our shareholders as we elevate O-I's position as the world's leading preferred glass supplier.

Best Regards,

A handwritten signature in black ink, appearing to read 'A. Lopez', with a horizontal line underneath.

Andres Lopez  
Chief Executive Officer