



Earnings before income taxes were \$82 million in the third quarter of 2023 compared to \$278 million in the prior year reflecting elevated interest expense and the unfavorable impact of items management considers not representative of ongoing operations including a restructuring charge this year and a one-time gain on a sale leaseback transaction in the prior year period, partially offset by higher segment operating profit.

Segment operating profit was \$301 million in the third quarter of 2023, up 13 percent compared to \$266 million in the prior year period as margins improved.

- **Americas:** Segment operating profit in the Americas was \$116 million compared to \$130 million in the third quarter of 2022 and benefited from favorable net price and margin expansion initiatives, which were more than offset by the impact of lower sales volume and elevated operating costs attributed to temporary production curtailments to balance supply with lower demand. Segment operating profit also benefited \$9 million from favorable foreign currency translation.
- **Europe:** Segment operating profit in Europe was \$185 million compared to \$136 million in the third quarter of 2022 and reflected favorable net price and solid operating performance, which were partially offset by lower sales volume and higher operating costs largely due to the headwind from Italian energy credits received in the prior year that did not repeat in 2023. Segment operating profit also benefited \$10 million from favorable foreign currency translation.

Retained corporate and other costs were \$60 million compared to \$63 million in the third quarter of 2022.

Net earnings attributable to the company were \$0.32 per share (diluted) in the third quarter of 2023 compared to \$1.45 per share (diluted) in the prior year period. Year-over-year earnings were negatively impacted \$1.30 per share by items that management considers not representative of ongoing operations and other adjustments, which included \$0.48 per share of charges primarily related to restructuring activities within the Americas segment in the current year period, and a net benefit of \$0.82 per share in the prior year period principally related to the one-time gain on a sale leaseback transaction.

Adjusted earnings were \$0.80 per share (diluted) in the third quarter of 2023, compared to \$0.63 per share (diluted) in the prior year period and the company's guidance of \$0.68 to \$0.73 per share.

## **2023 Outlook**

Year-to-date adjusted earnings have already exceeded full year 2022 and the company expects 2023 adjusted earnings will approximate \$3.00 per share. The current 2023 outlook significantly exceeds O-I's initial guidance of at least \$2.50 per share provided in January this year and represents a 30 percent increase from 2022 adjusted earnings. Higher adjusted earnings should reflect strong net price, solid operating performance and the benefit from the company's margin expansion initiatives which will more than offset lower sales and production volume as well as higher interest expense.

The company's current full year and fourth quarter 2023 outlook has been adjusted from the guidance provided on August 1, 2023. Management expects fourth quarter adjusted earnings will lag prior year results primarily due to lower sales volume and elevated production curtailment activity which will be concentrated in the fourth quarter to reduce inventory in light of softer

demand and properly position the company for the expected market recovery in 2024. As a result, higher curtailment cost should impact fourth quarter results by approximately 30 cents per share more than previously anticipated. The company is accelerating margin expansion initiatives to partially mitigate the effect of lower sales and production levels.

	ACTUAL		GUIDANCE		
	YTD 23	4Q23	FY23		
		CURRENT	Prior	CURRENT	Prior
Sales Volume Growth (in Tons)	▼ 11%	▼ DD	▼ LSD/MSD	▼ DD	▼ MSD/HSD
Reported Earnings Per Share (diluted)	\$2.31	n/a	n/a	n/a	n/a
Adjusted Earnings Per Share (EPS)	\$2.97	\$0.03	\$0.25-\$0.35	~ \$3.00	\$3.10-\$3.25
Free Cash Flow (\$M)	n/a	n/a	n/a	\$100-\$150 FCF \$400-\$450 aFCF	~ \$175 FCF ~ \$475 aFCF
Capital Expenditures(\$M)	n/a	n/a	n/a	~ \$700	\$700 - \$725

Guidance primarily reflects the company's current view on sales and production volume, mix and working capital trends as the company concludes 2023. O-I's adjusted earnings outlook assumes foreign currency rates as of October 30, 2023, earnings dilution from the company's portfolio optimization program, and incremental interest expense due to higher prevailing interest rates and debt incurred to fund the Paddock 524(g) trust. The full-year adjusted effective tax rate should approximate 24 to 26 percent. The earnings and cash flow guidance ranges may not fully reflect uncertainty in macroeconomic conditions, currency rates, and further pandemic effects such as supply chain and labor challenges, among other factors.

### Conference Call Scheduled for November 1, 2023

O-I CEO Andres Lopez and CFO John Haudrich will conduct a conference call to discuss the company's latest results on Wednesday, November 1, 2023, at 8:00 a.m. EDT. A live webcast of the conference call, including presentation materials, will be available on the O-I website, [www.o-i.com/investors](http://www.o-i.com/investors), in the News and Events section. A replay of the call will be available on the website for a year following the event.

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O-I news releases are available on the O-I website at [www.o-i.com](http://www.o-i.com).

O-I's year end and fourth quarter 2023 earnings conference call is currently scheduled for Thursday, February 7, 2024, at 8:00 a.m. EST.

### About O-I Glass

At O-I Glass, Inc. (NYSE: OI), we love glass and we're proud to be one of the leading producers of glass bottles and jars around the globe. Glass is not only beautiful, it's also pure and completely recyclable, making it the most sustainable rigid packaging material. Headquartered in Perrysburg, Ohio (USA), O-I is the preferred partner for many of the world's leading food and beverage brands. We innovate in line with customers' needs to create iconic packaging that builds brands around the world. Led by our diverse team of more than 24,000 people across 69 plants in 19 countries, O-I achieved net sales of \$6.9 billion in 2022. Learn more about us: [o-i.com](http://o-i.com) / [Facebook](#) / [Twitter](#) / [Instagram](#) / [LinkedIn](#)

### Non-GAAP Financial Measures

The company uses certain non-GAAP financial measures, which are measures of its historical or future financial performance that are not calculated and presented in accordance with GAAP,

within the meaning of applicable SEC rules. Management believes that its presentation and use of certain non-GAAP financial measures, including adjusted earnings, adjusted earnings per share, free cash flow, adjusted free cash flow, adjusted effective tax rate, segment operating profit and segment operating profit margin provide relevant and useful supplemental financial information that is widely used by analysts and investors, as well as by management in assessing both consolidated and business unit performance. These non-GAAP measures should be considered supplemental in nature and should not be considered in isolation or be construed as being more important than comparable GAAP measures.

Adjusted earnings relates to net earnings attributable to the company, exclusive of items management considers not representative of ongoing operations and other adjustments because such items are not reflective of the company's principal business activity, which is glass container production. Adjusted earnings are divided by weighted average shares outstanding (diluted) to derive adjusted earnings per share. Segment operating profit relates to earnings before interest expense, net, and before income taxes and is also exclusive of items management considers not representative of ongoing operations as well as certain retained corporate costs and other adjustments. Segment operating profit margin is calculated as segment operating profit divided by segment revenue. Adjusted effective tax rate relates to the provision for income taxes, excluding tax items management considers not representative of ongoing operations and other adjustments, divided by earnings before income taxes, exclusive of items management considers not representative of ongoing operations and other adjustments. Management uses adjusted earnings, adjusted earnings per share, segment operating profit, segment operating profit margin and adjusted effective tax rate to evaluate its period-over-period operating performance because it believes these provide useful supplemental measures of the results of operations of its principal business activity by excluding items that are not reflective of such operations. The above non-GAAP financial measures may be useful to investors in evaluating the underlying operating performance of the company's business as these measures eliminate items that are not reflective of its principal business activity.

Further, free cash flow relates to cash provided by operating activities plus cash payments to fund the Paddock 524(g) trust and related expenses less cash payments for property, plant, and equipment. Adjusted free cash flow relates to cash provided by operating activities plus cash payments to fund the Paddock 524(g) trust and related expenses less cash payments for property, plant and equipment plus cash payments for property, plant and equipment related to strategic or expansion projects. Management has historically used free cash flow and adjusted free cash flow to evaluate its period-over-period cash generation performance because it believes these have provided useful supplemental measures related to its principal business activity. It should not be inferred that the entire free cash flow or adjusted free cash flow amount is available for discretionary expenditures, since the company has mandatory debt service requirements and other non-discretionary expenditures that are not deducted from these measures. Management uses non-GAAP information principally for internal reporting, forecasting, budgeting and calculating compensation payments.

The company routinely posts important information on its website – [www.o-i.com/investors](http://www.o-i.com/investors).

### **Forward-Looking Statements**

This press release contains “forward-looking” statements related to O-I Glass, Inc. (“O-I Glass” or the “company”) within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and Section 27A of the Securities Act of 1933, as amended.

Forward-looking statements reflect the company's current expectations and projections about future events at the time, and thus involve uncertainty and risk. The words "believe," "expect," "anticipate," "will," "could," "would," "should," "may," "plan," "estimate," "intend," "predict," "potential," "continue," and the negatives of these words and other similar expressions generally identify forward-looking statements.

It is possible that the company's future financial performance may differ from expectations due to a variety of factors including, but not limited to the following: (1) the general political, economic and competitive conditions in markets and countries where the company has operations, including uncertainties related to economic and social conditions, disruptions in the supply chain, competitive pricing pressures, inflation or deflation, changes in tax rates and laws, war, civil disturbance or acts of terrorism, natural disasters, and weather, (2) cost and availability of raw materials, labor, energy and transportation (including impacts related to the current Russia-Ukraine and Israel-Hamas conflicts and disruptions in supply of raw materials caused by transportation delays), (3) the impact of the COVID-19 pandemic and the various governmental, industry and consumer actions related thereto, (4) competitive pressures, consumer preferences for alternative forms of packaging or consolidation among competitors and customers, (5) the company's ability to improve its glass melting technology, known as the MAGMA program, and implement it within the timeframe expected, (6) unanticipated operational disruptions, including higher capital spending, (7) the failure of the company's joint venture partners to meet their obligations or commit additional capital to the joint venture, (8) the company's ability to manage its cost structure, including its success in implementing restructuring or other plans aimed at improving the company's operating efficiency and working capital management, and achieving cost savings, (9) the company's ability to acquire or divest businesses, acquire and expand plants, integrate operations of acquired businesses and achieve expected benefits from acquisitions, divestitures or expansions, (10) the company's ability to generate sufficient future cash flows to ensure the company's goodwill is not impaired, (11) the company's ability to achieve its strategic plan, (12) unanticipated expenditures with respect to data privacy, environmental, safety and health laws, (13) the ability of the company and the third parties on which it relies for information technology system support to prevent and detect security breaches related to cybersecurity and data privacy, (14) changes in capital availability or cost, including interest rate fluctuations and the ability of the company to refinance debt on favorable terms, (15) foreign currency fluctuations relative to the U.S. dollar, (16) changes in tax laws or U.S. trade policies, (17) risks related to recycling and recycled content laws and regulations, (18) risks related to climate-change and air emissions, including related laws or regulations and increased environmental, social and governance scrutiny and changing expectations from stakeholders and the other risk factors discussed in the company's filings with the Securities and Exchange Commission.

It is not possible to foresee or identify all such factors. Any forward-looking statements in this document 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 this document.