LIBBEY INC

FORM 8-K
(Unscheduled Material Events)

Filed 11/7/1997 For Period Ending 11/5/1997

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Telephone	419-325-2100
CIK	0000902274
Industry	Personal & Household Prods.
Sector	Consumer/Non-Cyclical
Fiscal Year	12/31

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SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 5,1997

LIBBEY INC.

(Exact name of registrant as specified in its charter)

Delaware (State of Incorporation)	1-12084 (Commission File Number)	34-1559357 (IRS Employer identification No.)
300 Madison Avenue Toledo, Ohio (Address of principal executive offices)		43604 (Zip Code)

Registrant's telephone number, including area code: (419) 325-2100

ITEM 5. OTHER EVENTS

Libbey Inc. (the "Company") issued a prospectus supplement dated November 5, 1997 for a public offering of 2 million shares of common stock at a price of $37.875 per share under the Company's $100 million effective shelf registration of June 19, 1997.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(c)	Exhibit No.	Description
	1	Underwriting Agreement by and between the Company and Bear, Stearns & Co. Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated and Salomon Brothers Inc.
	99	Prospectus supplement dated November 5,

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

LIBBEY INC.
Registrant

Date: 11/7/97

/s/ Kenneth G. Wilkes
Kenneth G. Wilkes
Vice President, Chief Financial Officer and Treasurer

EXHIBIT INDEX

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2,000,000 Shares of Common Stock

LIBBEY INC.

UNDERWRITING AGREEMENT

November 5, 1997

BEAR, STEARNS & CO. INC.
MERRILL LYNCH & CO.
Merrill Lynch, Pierce, Fenner & Smith
Incorporated
SALOMON BROTHERS INC
as Representatives of the
several Underwriters named in
Schedule I attached hereto
c/o Bear, Stearns & Co. Inc.
245 Park Avenue
New York, N.Y. 10167

Dear Sirs:

Libbey Inc., a corporation organized and existing under the laws of Delaware (the "Company"), proposes, subject to the terms and conditions stated herein, to issue and sell to the several underwriters named in Schedule I hereto (the "Underwriters") an aggregate of 2,000,000 shares (the "Firm Shares") of its common stock, par value $.01 per share (the "Common Stock"), and, for the sole purpose of covering over-allotments in connection with the sale of the Firm Shares, at the option of the Underwriters, up to an additional 300,000 shares (the "Additional Shares") of Common Stock. The Firm Shares and any Additional Shares purchased by the Underwriters are referred to herein as the "Shares". The Shares are more fully described in the Registration Statement referred to below.

1. REPRESENTATIONS AND WARRANTIES OF THE COMPANY. The Company represents and warrants to, and agrees with, the Underwriters that:

(a) The Company has filed with the Securities and Exchange Commission (the "Commission") a registration statement, and may have filed an amendment or amendments thereto, on Form S-3 (No. 333-28735), for the registration of the Shares under the Securities Act

of 1933, as amended (the "Act"), and the offering of the Shares from time to time in accordance with Rule 415 under the Act. Such registration statement, including the prospectus, financial statements and schedules, exhibits and all other documents filed as a part thereof, as amended at the time of effectiveness of the registration statement, including any information deemed to be a part thereof as of the time of effectiveness pursuant to paragraph (b) of Rule 430A or Rule 434 of the Rules and Regulations of the Commission under the Act (the "Regulations"), is herein called the "Registration Statement" and the prospectus, including any prospectus supplement, in the form first filed with the Commission pursuant to Rule 424(b) of the Regulations, is herein called the "Prospectus". If the Company has filed an abbreviated registration statement to register an additional number of Shares pursuant to Rule 462(b) under the Act (the "Rule 462 Registration Statement"), then any reference herein to the term "Registration Statement" shall include such Rule 462 Registration Statement. The term "preliminary prospectus" as used herein means a preliminary prospectus, including any preliminary prospectus supplement, used in connection with the offer of the Shares prior to the date hereof that omits information with respect to the Shares and the offering permitted to be omitted from the Registration Statement when it becomes effective pursuant to Rule 430A. Any reference herein to the Registration Statement, any preliminary prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to Item 12 of Form S-3 which were filed under the Securities Exchange Act of 1934, as amended (the "Exchange Act") on or before the effective date of the Registration Statement, the date of such preliminary prospectus or the date of the Prospectus, as the case may be, and any reference herein to the terms "amend", "amendment" or "supplement" with respect to the Registration Statement, any preliminary prospectus or the Prospectus shall be deemed to refer to and include (i) the filing of any document under the Exchange Act after the effective date of the Registration Statement, the date of such preliminary prospectus or the date of the Prospectus, as the case may be, which is incorporated therein by reference and (ii) any such document so filed.

(b) The Registration Statement (including the Rule 462 Registration Statement, if any, which became effective upon filing) has been declared effective by the Commission; no stop order suspending the effectiveness of the Registration Statement is in effect and no proceedings for such purpose are pending before or threatened by the Commission; and any required filing of the preliminary prospectus pursuant to Rule 424(b) of the Regulations has been made in accordance with Rule 424(b).

(c) At the time of the effectiveness of the Registration Statement or the effectiveness of any post-effective amendment to the Registration Statement (or, if an annual report on Form 10-K has been filed by the Company subsequent to the effective date of the Registration Statement, then at the time of the most recent such filing), when the Prospectus is first filed with the Commission (whether filed pursuant to Rule 424(b) or Rule 434 of the Regulations), when any supplement to or amendment of the Prospectus is filed with the Commission, when any document filed under the Exchange Act is filed and at the Closing Date and the Additional Closing Date, if any, (each as hereinafter respectively defined), the Registration Statement and the Prospectus and any amendments thereof and supplements thereto complied or will comply in all material respects with the applicable provisions of the Act and the Regulations and the Exchange Act and the respective rules and regulations thereunder and does

not or will not contain an untrue statement of a material fact and does not or will not omit to state any material fact required to be stated therein or necessary in order to make the statements therein (i) in the case of the Registration Statement, not misleading and (ii) in the case of the Prospectus, in light of the circumstances under which they were made, not misleading. When any related preliminary prospectus was first filed with the Commission (whether filed pursuant to Rule 424(a) or 424(b)(2) of the Regulations) and when any amendment thereof or supplement thereto was first filed with the Commission, such preliminary prospectus and any amendments thereof and supplements thereto complied in all material respects with the applicable provisions of the Act and the Regulations and the Exchange Act and the respective rules and regulations thereunder and did not contain an untrue statement of a material fact and did not omit to state any material fact required to be stated therein or necessary in order to make the statements therein in light of the circumstances under which they were made not misleading. No representation or warranty is made in this subsection (c), however, with respect to any information contained in or omitted from the Registration Statement or the Prospectus or any related preliminary prospectus or any amendment thereof or supplement thereto in reliance upon and in conformity with information furnished in writing to the Company by or on behalf of any Underwriter through you as herein stated expressly for use in connection with the preparation thereof. If Rule 434 is used, the Company will comply with the requirements of Rule 434.

(d) Ernst & Young LLP, who have certified the financial statements and supporting schedules of the Company included or incorporated by reference in the Registration Statement, are independent public accountants as required by the Act and the Regulations. Deloitte & Touche LLP, who have certified the audited financial statements and supporting schedules of Crisa Corporation and WorldCrisa Corporation and Deloitte & Touche (Mexico), who have certified the audited financial statements of Vitrocrisa, S.A. de C.V. (collectively, the "Vitro Entities"), incorporated by reference in the Registration Statement, are independent public accountants as required by the Act and the Regulations.

(e) Subsequent to the respective dates as of which information is given in the Registration Statement and the Prospectus, except as set forth in the Registration Statement and the Prospectus, there has been no material adverse change or any development involving a prospective material adverse change in the condition (financial or other) or results of operations of the Company and its subsidiaries taken as a whole, or the interests and businesses acquired in the Vitro Transactions (as defined in the Prospectus), in each case whether or not arising from transactions in the ordinary course of business (a "Material Adverse Change"); and since the date of the latest balance sheet presented in the Registration Statement and the Prospectus, neither the Company nor any of its subsidiaries has incurred or undertaken any liabilities or obligations, direct or contingent, which are material to the Company and its subsidiaries taken as a whole, except for liabilities or obligations which are reflected in the Registration Statement and the Prospectus.

(f) This Underwriting Agreement (this "Agreement") and the transactions contemplated herein have been duly and validly authorized by the Company and this Agreement has been duly and validly executed and delivered by the Company.

(g) Neither the Company nor any of its subsidiaries is in violation of its certificate of incorporation or by-laws, or in default in the performance or observation of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, loan agreement, note, lease or other instrument to which the Company or any of its subsidiaries is a party or to which any of such corporations may be bound other than any such violation or default that would not have a material adverse effect on the condition (financial or other) or results of operations of the Company and its subsidiaries taken as a whole (a "Material Adverse Effect"), and the execution, delivery and performance by the Company of its obligations under this Agreement and the consummation of the transactions contemplated hereby do not and will not (i) conflict with or result in a breach of any of the terms and provisions of, or constitute a default (or an event which with notice or lapse of time, or both, would constitute a default) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, any agreement, instrument, franchise, license or permit to which the Company or any of its subsidiaries is a party or by which any of such corporations or their respective properties or assets may be bound, (ii) violate or conflict with any provision of the certificate of incorporation or by-laws of the Company or any of its subsidiaries or (iii) violate or conflict with any judgment, decree, order, statute, rule or regulation of any court or any public, governmental or regulatory agency or body having jurisdiction over the Company or any of its subsidiaries or any of their respective properties or assets, other than, with respect to clause (i) or (iii), any such conflict, breach, violation or default which would not have a Material Adverse Effect. No consent, approval, authorization, order, registration, filing, qualification, license or permit of or with any court or any public, governmental or regulatory agency or body having jurisdiction over the Company or any of its subsidiaries or any of their respective properties or assets is required for the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby, including the issuance, sale and delivery of the Shares to be issued, sold and delivered by the Company hereunder, except the registration under the Act of the Shares and such consents, approvals, authorizations, orders, registrations, filings, qualifications, licenses and permits as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Shares by the Underwriters.

(h) All of the outstanding shares of capital stock of the Company are duly authorized and validly issued, fully paid and nonassessable and were not issued and are not now in violation of or subject to any preemptive rights. The Shares have been duly authorized and, when issued, delivered and sold in accordance with this Agreement against payment of the consideration set forth herein, will be validly issued, fully paid and nonassessable, and will not have been issued in violation of or be subject to any preemptive rights. The Company had, at June 30, 1997, an authorized and outstanding capitalization as set forth in the Registration Statement and the Prospectus. The Common Stock, the Firm Shares and the Additional Shares conform to the descriptions thereof contained in the Registration Statement and the Prospectus.

(i) Each of the Company and its subsidiaries has been duly incorporated and is validly existing as a corporation in good standing under the laws of its jurisdiction of incorporation. Each of the Company and its subsidiaries is duly qualified and in good standing as a foreign corporation in each jurisdiction in which the character or location of its properties

(owned, leased or licensed) or the nature or conduct of its business makes such qualification necessary, except for those failures to be so qualified or be in good standing which will not have a Material Adverse Effect. Each of the Company and its subsidiaries (i) has all requisite power and authority to own lease and operate its properties and conduct its business as now being conducted and as described in the Registration Statement and the Prospectus, and (ii) has all necessary consents, approvals, authorizations, orders, registrations, qualifications, licenses and permits of and from all public, regulatory or governmental agencies and bodies, to own lease and operate its properties and conduct its business as now being conducted and as described in the Registration Statement and the Prospectus, except to the extent that the failure to so possess will not have a Material Adverse Effect, and no such consent, approval, authorization, order, registration, qualification, license or permit contains a materially burdensome restriction not adequately disclosed in the Registration Statement and the Prospectus.

(j) Except as described in the Registration Statement and Prospectus, there is no litigation or governmental proceeding to which the Company or any of its subsidiaries is a party or to which any property of the Company or any of its subsidiaries is subject or which is pending or, to the knowledge of the Company, contemplated against the Company or any of its subsidiaries which might result in a Material Adverse Change or which is required to be disclosed in the Registration Statement and the Prospectus; and there are no contracts or documents of the Company which are required to be filed as exhibits to the Registration Statement by the Act or by the Regulations which have not been so filed.

(k) The Company has not taken and will not take, directly or indirectly, any action designed to cause or result in, or which constitutes or which might reasonably be expected to constitute, the stabilization or manipulation of the price of the shares of Common Stock to facilitate the sale or resale of the Shares or any action resulting in a violation of Regulation M under the Exchange Act.

(l) The financial statements, including the notes thereto, and supporting schedules included or incorporated by reference in the Registration Statement and the Prospectus present fairly the financial position of the Company and, to the knowledge of the Company, the Vitro Entities, as of the dates indicated and the results of its operations for the periods specified; except as otherwise stated in the Registration Statement, said financial statements have been prepared in conformity with generally accepted accounting principles applied on a consistent basis; and the supporting schedules included or incorporated by reference in the Registration Statement present fairly the information required to be stated therein.

(m) The pro forma financial statements contained in the preliminary prospectus and the Prospectus under the heading "Unaudited Pro Forma Consolidated Financial Information" have been prepared on a basis consistent with the historical statements referred to in clause (l) above, except for the pro forma adjustments specified therein, and (A) include all material adjustments to the historical financial data required by Rule 11-02 of Regulation S-X necessary to reflect the Vitro Transactions (as defined in the Prospectus), (B) give effect to the assumptions made on a reasonable basis, (C) present fairly in all material respects in accordance with generally accepted accounting principles consistently applied throughout such periods, the

historical and proposed transactions contemplated by the preliminary prospectus and the Prospectus and (D) comply in all material respects with the requirements of Rules 11-01 and 11-02 of Regulation S-X; and the other pro forma financial information and pro forma financial data set forth in the Prospectus under the caption "Summary Pro Forma Financial Data" are derived from such financial statements.

(n) No holder of securities of the Company or any of its subsidiaries has any rights, not effectively satisfied or waived, to the registration of securities of the Company because of the filing of the Registration Statement or otherwise in connection with the sale of the Shares contemplated hereby.

(o) The Company is not, and upon consummation of the transactions contemplated hereby will not be, subject to registration as an "investment company" under the Investment Company Act of 1940, as amended.

(p) The conditions for use of Form S-3, as set forth in the General Instructions thereto, have been satisfied.

(q) The documents incorporated or deemed to be incorporated by reference in the Registration Statement and the Prospectus, at the time they were or hereafter are filed with the Commission, complied or will comply in all material respects with the requirements of the Exchange Act and the rules and regulations of the Commission under the Exchange Act, and, when read together with the other information in the Prospectus, at the time the Registration Statement and any amendments thereto became or become effective and at the Closing Date, did not or will not contain an untrue statement of a material fact and will not omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(r) No labor dispute with the employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is imminent that would reasonably be expected to have a Material Adverse Effect; and the Company is not aware of any existing or imminent labor disturbance by the employees of any of the principal suppliers, manufacturers or contractors for the Company and its subsidiaries which would reasonably be expected to result in any Material Adverse Effect.

(s) The Company and its subsidiaries own or possess, or can acquire on reasonable terms, the patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks and trade names (collectively, "intellectual property") presently employed by them in connection with the business now operated by them, except where the failure to own or possess or have the ability to acquire any such intellectual property would not have a Material Adverse Effect, and the Company has not received any notice of infringement of or conflict with asserted rights of others with respect to any of the foregoing which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would result in any Material Adverse Effect.

(t) The Company and its subsidiaries have good title to all properties owned by them, free and clear of all liens, encumbrances and defects except (i) as do not materially interfere with the use made and proposed to be made of such properties, (ii) as set forth in the Registration Statement
(including the Notes to the financial statements referred to in clause (l) above, incorporated by reference therein) or (iii) as would not reasonably be expected to have a Material Adverse Effect.

(u) Except as disclosed in the Registration Statement and the Prospectus, the Company and its subsidiaries are in material compliance with all applicable existing federal, state, local and foreign laws and regulations relating to protection of human health or the environment or imposing liability or standards of conduct concerning any Hazardous Material (as hereinafter defined) ("Environmental Laws"), except, in each case, where such noncompliance, singly or in the aggregate, would not reasonably be expected to have a Material Adverse Effect. The term "Hazardous Material" means (i) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, (ii) any "hazardous waste" as defined by the Resource Conservation and Recovery Act, as amended, (iii) any petroleum or petroleum product, (iv) any polychlorinated biphenyl, and (v) any pollutant or contaminant or hazardous, dangerous, or toxic chemical, material, waste or substance regulated under or within the meaning of any other Environmental Law.

(v) There is no alleged liability, or to the best knowledge and information of the Company, potential liability, (including, without limitation, alleged or potential liability for investigatory costs, cleanup costs, governmental response costs, natural resources damages, property damages, personal injuries, or penalties) of the Company or any of its subsidiaries arising out of, based on or resulting from (i) the presence or release into the environment of any Hazardous Material at any location, whether or not owned by the Company or any of its subsidiaries or (ii) any violation or alleged violation of any Environmental Law, (x) which alleged or potential liability is required to be disclosed in the Registration Statement, other than as disclosed therein, or (y) which alleged or potential liability, singly or in the aggregate, would have a Material Adverse Effect.

(w) The Shares have been approved for listing on the New York Stock Exchange, subject to official notice of issuance.

(x) The Shares are, or will be when issued, "excepted securities" within the meaning of Rule 101(c) of Regulation M under the Exchange Act.

(y) The Company has complied with all provisions of Section 517.075, Florida Statutes relating to doing business with the Government of Cuba or with any person or affiliate located in Cuba.

2. Purchase, Sale and Delivery of the Shares.

(a) On the basis of the representations, warranties, covenants and agreements herein contained, but subject to the terms and conditions herein set forth, the Company agrees to

sell to the Underwriters and the Underwriters, severally and not jointly, agree to purchase from the Company, at a purchase price per share of $36.170, the number of Firm Shares set forth opposite the respective names of the Underwriters in Schedule I hereto plus any additional number of Shares which such Underwriter may become obligated to purchase pursuant to the provisions of Section 9 hereof.

(b) Payment of the purchase price for, and delivery of certificates for, the Firm Shares shall be made at the office of Simpson Thacher & Bartlett, 425 Lexington Avenue, New York, New York 10017, or at such other place as shall be agreed upon by you and the Company, at 10:00 A.M. on the third or fourth business day (as permitted under Rule 15c6-1 under the Exchange Act) (unless postponed in accordance with the provisions of Section 9 hereof) following the date of the determination of the initial public offering price of the Shares, or such other time not later than ten business days after such date as shall be agreed upon by you and the Company (such time and date of payment and delivery being herein called the "Closing Date"). Payment shall be made to the Company by wire transfer in same day funds, against delivery to you for the respective accounts of the Underwriters of certificates for the Firm Shares to be purchased by them. Certificates for the Firm Shares shall be registered in such name or names and in such authorized denominations as you may request in writing at least two full business days prior to the Closing Date. The Company will permit you to examine and package such certificates for delivery at least one full business day prior to the Closing Date.

(c) In addition, the Company hereby grants to the Underwriters the option to purchase up to 300,000 Additional Shares at the same purchase price per share to be paid by the Underwriters to the Company for the Firm Shares as set forth in this Section 2, for the sole purpose of covering over-allotments in the sale of Firm Shares by the Underwriters. This option may be exercised at any time, in whole or in part, on or before the thirtieth day following the date of the Prospectus, by written notice by you to the Company. Such notice shall set forth the aggregate number of Additional Shares as to which the option is being exercised and the date and time, as reasonably determined by you, when the Additional Shares are to be delivered (such date and time being herein sometimes referred to as the "Additional Closing Date"); PROVIDED, HOWEVER, that the Additional Closing Date shall not be earlier than the Closing Date or earlier than the second full business day after the date on which the option shall have been exercised nor later than the eighth full business day after the date on which the option shall have been exercised (unless such time and date are postponed in accordance with the provisions of Section 9 hereof). Certificates for the Additional Shares shall be registered in such name or names and in such authorized denominations as you may request in writing at least two full business days prior to the Additional Closing Date. The Company will permit you to examine and package such certificates for delivery at least one full business day prior to the Additional Closing Date.

The number of Additional Shares to be sold to each Underwriter shall be the number which bears the same ratio to the aggregate number of Additional Shares being purchased as the number of Firm Shares set forth opposite the name of such Underwriter in Schedule I hereto (or such number increased as set forth in Section 9 hereof) bears to the total number of Firm Shares being purchased from the Company, subject, however, to such adjustments to eliminate any fractional shares as you in your sole discretion shall make.

Payment for the Additional Shares shall be made by wire transfer in same day funds at the offices of Simpson Thacher & Bartlett, 425 Lexington Avenue, New York, New York 10017, or such other location as may be mutually acceptable, upon delivery of the certificates for the Additional Shares to you for the respective accounts of the Underwriters.

3. OFFERING. Upon your authorization of the release of the Firm Shares, the Underwriters propose to offer the Shares for sale to the public upon the terms set forth in the Prospectus.

4. COVENANTS OF THE COMPANY. The Company covenants and agrees with the Underwriters that:

(a) The Company will file the Prospectus pursuant to Rule 424(b) or Rule 434 within the prescribed time period and will provide evidence satisfactory to you of such timely filing. If the Company elects to rely on Rule 434, the Company will prepare and file a term sheet that complies with the requirements of Rule 434. If the Company elects to rely on Rule 462(b), the Company will file a Rule 462(b) Registration Statement with the Commission by 10:00 P.M., Washington, D.C. time, on the date of this Agreement, and the Company will at the time of filing either pay to the Commission the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to Rule 111(b) under the Securities Act and such Rule 462(b) Registration Statement shall have become effective by 10:00 P.M., Washington, D.C. time, on the date of this Agreement.

The Company will notify you immediately (and, if requested by you, will confirm such notice in writing) (i) when any amendment to the Registration Statement becomes effective, (ii) of any request by the Commission for any amendment of or supplement to the Registration Statement or the Prospectus or for any additional information, (iii) of the mailing or the delivery to the Commission for filing of any amendment of or supplement to the Registration Statement, the preliminary prospectus or the Prospectus, (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or any post-effective amendment thereto or of the initiation, or the threatening, of any proceedings therefor, (v) of the receipt of any comments from the Commission, and (vi) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for sale in any jurisdiction or the initiation or threatening of any proceeding for that purpose. If the Commission shall propose or enter a stop order at any time, the Company will make every reasonable effort to prevent the issuance of any such stop order and, if issued, to obtain the lifting of such order as soon as possible. The Company will not file any amendment to the Registration Statement or any amendment of or supplement to the preliminary prospectus or the Prospectus (including the prospectus required to be filed pursuant to Rule 424(b) or Rule 434) that differs from the prospectus on file at the time of the effectiveness of the Registration Statement before or after the effective date of the Registration Statement or file any document under the Exchange Act if such document would be deemed to be incorporated by reference into the Prospectus to which you shall reasonably object in writing after being timely furnished in advance a copy thereof.

(b) If at any time when a prospectus relating to the Shares is required to be delivered under the Act any event shall have occurred as a result of which the preliminary prospectus or the Prospectus as then amended or supplemented would, in the judgment of the Underwriters or the Company, include an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or if it shall be necessary at any time to amend or supplement the preliminary prospectus or the Prospectus or Registration Statement to comply with the Act or the Regulations, or to file under the Exchange Act so as to comply therewith any document incorporated by reference in the Registration Statement or the preliminary prospectus or the Prospectus or in any amendment thereof or supplement thereto, the Company will notify you promptly and prepare and file with the Commission an appropriate amendment or supplement (in form and substance satisfactory to you) which will correct such statement or omission or which will effect such compliance and will use its best efforts to have any amendment to the Registration Statement declared effective as soon as possible.

(c) The Company will promptly deliver to you three signed copies of the Registration Statement, including exhibits and all documents incorporated by reference therein and all amendments thereto, and the Company will promptly deliver to each of the Underwriters such number of copies of any preliminary prospectus, the Prospectus, the Registration Statement, all amendments of and supplements to such documents, if any, and all documents incorporated by reference in the Registration Statement and Prospectus or any amendment thereof or supplement thereto, without exhibits, as you may reasonably request.

(d) The Company will endeavor in good faith, in cooperation with you, at or prior to the time of effectiveness of the Registration Statement, to qualify the Shares for offering and sale under the securities laws relating to the offering or sale of the Shares of such jurisdictions as you may reasonably designate and to maintain such qualification in effect for so long as required for the distribution thereof; except that in no event shall the Company be obligated in connection therewith to qualify as a foreign corporation or to execute a general consent to service of process or to subject itself to taxation as doing business in any jurisdiction.

(e) The Company will make generally available (within the meaning of Section 11(a) of the Act) to its security holders and to you as soon as practicable, but not later than 45 days after the end of its fiscal quarter in which the first anniversary date of the effective date of the Registration Statement occurs, an earning statement (in form complying with the provisions of Rule 158 of the Regulations) covering a period of at least twelve consecutive months beginning after the effective date of the Registration Statement.

(f) During the period of 90 days from the date of the Prospectus, the Company will not, directly or indirectly, without your prior written consent, issue, sell, offer or agree to sell, contract to sell, grant any option to purchase, make a short sale, or otherwise dispose of or engage in any hedging or other transaction that is designed or reasonably expected to lead to a disposition of (or announce any such offer, sale, grant of an option to purchase or other transaction relating to) any shares of Common Stock, any option or warrant to purchase shares of Common Stock or any securities convertible into, exercisable for or exchangeable for

shares of Common Stock, and the Company will obtain the undertaking of each of its executive officers and directors not to engage in any of the aforementioned transactions on their own behalf (except with respect to any shares of Common Stock under such executive officer's 401(k) Plans), other than (i) the Company's sale of Shares hereunder, (ii) any options, and any shares of Common Stock issued upon the exercise of any such options, granted under the Company's Stock Option Plan and (iii) any shares of Common Stock contributed by the Company to, or distributed under, the Company's 401(k) Plans.

(g) During a period of three years from the effective date of the Registration Statement, the Company will furnish to you copies of (i) all reports to its shareholders; and (ii) all reports, financial statements and proxy or information statements filed by the Company with the Commission or any national securities exchange.

(h) The Company will apply the proceeds from the sale of the Shares as set forth under "Use of Proceeds" in the Prospectus.

(i) The Company will use its reasonable best efforts to cause the Shares to be listed on the New York Stock Exchange.

(j) The Company, during the period when the Prospectus is required to be delivered under the Act or the Exchange Act, will file all documents required to be filed with the Commission pursuant to Section 13, 14 or 15 of the Exchange Act within the time periods required by the Exchange Act and the rules and regulations thereunder.

5. PAYMENT OF EXPENSES. Whether or not the transactions contemplated in this Agreement are consummated or this Agreement is terminated, the Company hereby agrees to pay all costs and expenses incident to the performance of the obligations of the Company hereunder, including those in connection with (i) preparing, printing, duplicating, filing and distributing the Registration Statement, as originally filed and all amendments thereof (including all exhibits thereto), any preliminary prospectus, the Prospectus and any amendments or supplements thereto (including, without limitation, fees and expenses of the Company's accountants and counsel), the underwriting documents (including this Agreement) and all other documents related to the public offering of the Shares (including those supplied to the Underwriters in quantities as hereinabove stated); (ii) the issuance, transfer and delivery of the Shares to the Underwriters, including any transfer or other taxes payable thereon; (iii) the qualification of the Shares under state or foreign securities or Blue Sky laws, including the costs of printing and mailing a preliminary and final "Blue Sky Survey" and the fees of counsel for the Underwriters and such counsel's disbursements in relation thereto; (iv) listing the Shares on the New York Stock Exchange; (v) filing fees of the Commission; (vi) the cost of printing certificates representing the Shares; and (vii) the cost and charges of any transfer agent or registrar.

6. CONDITIONS OF UNDERWRITERS' OBLIGATIONS. The obligations of the Underwriters to purchase and pay for the Firm Shares and the Additional Shares, as provided herein, shall be subject to the accuracy of the representations and warranties of the Company herein contained, as of the date hereof and as of the Closing Date (for purposes of this Section 6

"Closing Date" shall refer to the Closing Date for the Firm Shares and any Additional Closing Date, if different, for the Additional Shares), to the absence from any certificates, opinions, written statements or letters furnished to you or to Simpson Thacher & Bartlett ("Underwriters' Counsel") pursuant to this Section 6 of any misstatement or omission, to the performance by the Company of its obligations hereunder, and to the following additional conditions:

(a) The Prospectus shall have been filed with the Commission in a timely fashion in accordance with Section 4(a) hereof; and, at or prior to the Closing Date, no stop order suspending the effectiveness of the Registration Statement or any post-effective amendment thereof shall have been issued and no proceedings therefor shall have been initiated or threatened by the Commission.

(b) At the Closing Date you shall have received the opinion of Latham & Watkins, counsel for the Company, dated the Closing Date addressed to the Underwriters and in form and substance satisfactory to Underwriters' Counsel, to the effect that:

(i) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware. The Company has all requisite corporate power and authority to own, lease, license and operate its properties and conduct its business as described in the Registration Statement and the Prospectus.

(ii) The Company has authorized, issued and outstanding capital stock as set forth in the Registration Statement and the Prospectus under "Description of Capital Stock". All of the outstanding shares of capital stock of the Company are duly authorized and validly issued, fully paid and nonassessable. The Shares to be delivered on the Closing Date have been duly authorized and, when delivered by the Company in accordance with this Agreement against payment of the consideration set forth herein, will be validly issued, fully paid and nonassessable and, to the best of such counsel's knowledge, free of preemptive rights. The statements contained in the Prospectus under the caption "Description of Capital Stock," insofar as they purport to constitute summaries of the terms of the Common Stock, constitute accurate summaries in all material respects.

(iii) This Agreement has been duly authorized, executed and delivered by the Company.

(iv) The execution, delivery by the Company of, and the issuance and sale of the Shares by the Company pursuant to, this Agreement do not and will not violate or conflict with any provision of the certificate of incorporation or by-laws of the Company or any applicable federal law or administrative regulation of the United States, or any provision of the General Corporation Law of the State of Delaware, or, to the best knowledge of such counsel, any judgment, decree or order, of any court or any public, governmental or regulatory agency or body having jurisdiction over the Company or any of its subsidiaries or any of their respective properties or assets. To such counsel's knowledge, no consent, approval, authorization, order, registration, filing, qualification,

license or permit of or with any court or any public, governmental, or regulatory agency or body having jurisdiction over the Company or any of its subsidiaries or any of their respective properties or assets is required for the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby, except for
(1) such as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Shares by the Underwriters (as to which such counsel need express no opinion) and (2) such as have been made or obtained under the Act.

(v) The Registration Statement and the Prospectus (excluding the documents incorporated therein by reference) and any amendments thereof or supplements thereto (other than the financial statements and schedules and other financial data included or incorporated by reference therein, as to which no opinion need be rendered) comply as to form in all material respects with the requirements of the Act and the Regulations for registration statements on Form S-3.

(vi) The Registration Statement is effective under the Act, and, to the best knowledge of such counsel, no stop order suspending the effectiveness of the Registration Statement or any post-effective amendment thereof has been issued and no proceedings therefor have been initiated or threatened by the Commission and all filings required by Rule 424(b) of the Regulations have been made.

(vii) The Company is not an "investment company", as such term is defined in the Investment Company Act of 1940, as amended.

(viii) No holder of any securities of the Company has any rights under the Company's certificate of incorporation or by-laws or, to the best of such counsel's knowledge, under any contract, not effectively satisfied or waived, to the registration of securities of the Company because of the filing of the Registration Statement or otherwise in connection with the sale of the Shares contemplated hereby.

(ix) In addition, such opinion shall also contain a statement that although such counsel has not undertaken to determine independently the accuracy and completeness of the statements contained in the Registration Statement and Prospectus and takes no responsibility therefor, except with respect to paragraph (ii) above, of this Section 6(b), such counsel has participated in conferences with officers and representatives of the Company, representatives of the independent public accountants for the Company and the Underwriters at which the contents of the Prospectus and related matters were discussed and, no facts have come to the attention of such counsel which would lead such counsel to believe that either the Registration Statement at the time it became effective (including the information deemed to be part of the Registration Statement at the time of effectiveness pursuant to Rule 430A(b) or Rule 434, if applicable), or any amendment thereof made prior to the Closing Date as of the date of such amendment, contained an untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading or that the Prospectus as of its date (or any amendment thereof or supplement thereto made prior to the

Closing Date as of the date of such amendment or supplement) and as of the Closing Date contained or contains an untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (it being understood that such counsel need express no belief or opinion with respect to the financial statements and schedules and other financial data included or incorporated by reference therein) in each case after excluding any statement in any such document which does not constitute part of the Registration Statement or the Prospectus as amended or supplemented pursuant to Rule 412 of Regulation C under the Act and after substituting therefor any statement modifying or superseding such excluded statement.

In rendering such opinion, such counsel may rely as to matters of fact, to the extent they deem proper, on certificates of responsible officers of the Company and certificates or other written statements of officers of departments of various jurisdictions having custody of documents, provided that copies of any such statements or certificates shall be delivered to Underwriters' Counsel, and need not express any opinion with regard to the laws of any jurisdiction other than the federal law of the United States and the General Corporation Law of the State of Delaware.

(c) At the Closing Date you shall have received the opinion of Arthur H. Smith, Vice President, General Counsel and Secretary of the Company, dated the Closing Date addressed to the Underwriters and in substance satisfactory to the Underwriters' counsel, to the effect that:

(i) The Company is duly qualified and in good standing as a foreign corporation in each jurisdiction in which the character or location of its properties (owned, leased or licensed) or the nature or conduct of its business makes such qualification necessary, except for those failures to be so qualified or in good standing which will not in the aggregate have a Material Adverse Effect.

(ii) Each subsidiary of the Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, with all requisite corporate power and authority to own, lease, license and operate its property and conduct its business as described in the Registration Statement and the Prospectus and is duly qualified and in good standing as a foreign corporation in each jurisdiction in which the character or location of its properties (owned, leased or licensed) or the nature of conduct of its business makes such qualification necessary, except for those failures to be so qualified or in good standing which will not in the aggregate have a Material Adverse Effect. All of the issued and outstanding capital stock of each subsidiary of the Company has been duly authorized and validly issued, fully paid and nonassessable and was not issued in violation of preemptive rights, and all of the issued and outstanding capital stock of such subsidiaries has been duly and validly issued, fully paid and nonassessable and was not issued in violation of preemptive rights, and is owned of record by the Company, directly, and is free and clear of any material security

interest, mortgage, pledge, lien, encumbrance, claim, restriction on transfer, shareholders' agreement, voting trust or other defect of title whatsoever.

(iii) The execution, delivery by the Company of, and the issuance and sale of the Shares by the Company pursuant to, this Agreement do not and will not conflict with or result in a breach of any of the terms and provisions of, or constitute a default (or an event which with notice or lapse of time, or both, would constitute a default) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, any agreement, instrument, franchise, license or permit to which the Company or any of its subsidiaries is a party or by which any of such corporations or their respective properties or assets may be bound and which is listed or referred to in Item 10 of the exhibits to the quarterly report of the Company on Form 10-Q for the quarter ended June 30, 1997.

(iv) To the best of such counsel's knowledge, after due inquiry, there is no litigation or governmental or other action, suit, proceeding or investigation before any court or before or by any public, regulatory or governmental agency or body pending or threatened against, or involving the properties or business of, the Company or any of its subsidiaries, which is of a character required to be disclosed in the Registration Statement and the Prospectus which has not been properly disclosed therein; to the best of such counsel's knowledge, there are no contracts, indentures, mortgages, loan agreements, notes, leases or other instruments that are required to be described or referred to in the Registration Statement or the Prospectus or to be filed as exhibits to the Registration Statement that are not described or filed as required.

(v) In addition, such opinion shall also contain a statement that although such counsel has not undertaken to determine independently the accuracy and completeness of the statements contained in the Registration Statement and Prospectus and takes no responsibility therefor, such counsel has participated in conferences with officers and representatives of the Company, representatives of the independent public accountants for the Company and the Underwriters at which the contents of the Prospectus and related matters were discussed and, no facts have come to the attention of such counsel which would lead such counsel to believe that either the Registration Statement at the time it became effective (including the information deemed to be part of the Registration Statement at the time of effectiveness pursuant to Rule 430A(b) or Rule 434, if applicable), or any amendment thereof made prior to the Closing Date as of the date of such amendment, contained an untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading or that the Prospectus as of its date (or any amendment thereof or supplement thereto made prior to the Closing Date as of the date of such amendment or supplement) and as of the Closing Date contained or contains an untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (it being understood that such counsel need express no belief or opinion

with respect to the financial statements and schedules and other financial data included or incorporated by reference therein).

In rendering such opinion, such counsel may rely as to matters of fact, to the extent they deem proper, on certificates of responsible officers of the Company and certificates or other written statements of officers of departments of various jurisdictions having custody of documents, provided that copies of any such statements or certificates shall be delivered to Underwriters' Counsel, and need not express any opinion with regard to the laws of any jurisdiction other than the federal law of the United States, the laws of the state of Ohio and the General Corporation Law of the State of Delaware.

(d) All proceedings taken in connection with the sale of the Firm Shares and the Additional Shares as herein contemplated shall be satisfactory in form and substance to you and to Underwriters' Counsel, and the Underwriters shall have received from said Underwriters' Counsel a favorable opinion, dated as of the Closing Date with respect to the issuance and sale of the Shares, the Registration Statement and the Prospectus and such other related matters as you may reasonably require, and the Company shall have furnished to Underwriters' Counsel such documents as they may reasonably request for the purpose of enabling them to pass upon such matters.

(e) At the Closing Date you shall have received a certificate of the Chief Executive Officer and Chief Financial Officer of the Company, dated the Closing Date to the effect that (i) the condition set forth in subsection
(a) of this Section 6 has been satisfied, (ii) as of the date hereof and as of the Closing Date the representations and warranties of the Company set forth in
Section 1 hereof are accurate, (iii) as of the Closing Date the obligations of the Company to be performed hereunder on or prior thereto have been duly performed and (iv) subsequent to the respective dates as of which information is given in the Registration Statement and the Prospectus, the Company and its subsidiaries have not sustained any material loss or interference with their respective businesses or properties from fire, flood, hurricane, accident or other calamity, whether or not covered by insurance, or from any labor dispute or any legal or governmental proceeding, and there has not been any Material Adverse Change, except in each case as described in or contemplated by the Prospectus.

(f) At the time this Agreement is executed and at the Closing Date, you shall have received a letter, from Ernst & Young LLP, independent auditors for the Company, dated, respectively, as of the date of this Agreement and as of the Closing Date addressed to the Underwriters and in form and substance satisfactory to you, to the effect that: (i) they are independent certified public accountants with respect to the Company within the meaning of the Act and the Regulations and stating that the answer to Item 10 of the Registration Statement is correct insofar as it relates to them; (ii) stating that, in their opinion, the financial statements and schedules of the Company incorporated by reference in the Registration Statement and the Prospectus and covered by their opinion therein comply as to form in all material respects with the applicable accounting requirements of the Act and the Exchange Act and the applicable published rules and regulations of the Commission thereunder; (iii) on the basis of procedures consisting of a reading of the latest available unaudited interim consolidated financial statements

of the Company, and its subsidiaries, a reading of the minutes of meetings and consents of the shareholders and boards of directors of the Company and its subsidiaries and the committees of such boards subsequent to December 31, 1996, inquiries of officers and other employees of the Company and its subsidiaries who have responsibility for financial and accounting matters of the Company and its subsidiaries with respect to transactions and events subsequent to December 31, 1996 and other specified procedures and inquiries to a date not more than five days prior to the date of such letter, nothing has come to their attention that would cause them to believe that: (A) the unaudited consolidated financial statements and schedules of the Company incorporated by reference in the Registration Statement and the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Act and, if applicable, the Exchange Act and the applicable published rules and regulations of the Commission thereunder or that such unaudited consolidated financial statements are not fairly presented in conformity with generally accepted accounting principles except to the extent certain footnote disclosures have been omitted in accordance with applicable rules of the Commission under the Exchange Act applied on a basis substantially consistent with that of the audited consolidated financial statements incorporated by reference in the Registration Statement and the Prospectus; (B) with respect to the period subsequent to June 30, 1997 there were, as of the date of the most recent available monthly consolidated financial statements of the Company and its subsidiaries, if any, and as of a specified date not more than five days prior to the date of such letter, any changes in the capital stock or long-term indebtedness of the Company or any decrease in the net current assets or stockholders' equity of the Company, in each case as compared with the amounts shown in the most recent balance sheet presented in the Registration Statement and the Prospectus, except for changes or decreases which the Registration Statement and the Prospectus disclose have occurred or may occur or which are set forth in such letter; (C) that during the period from June 30, 1997 to the date of the most recent available monthly consolidated financial statements of the Company and its subsidiaries, if any, and to a specified date not more than five days prior to the date of such letter, there was any decrease, as compared with the corresponding period in the prior fiscal year, in total revenues, or total or per share net income, except for decreases which the Registration Statement and the Prospectus disclose have occurred or may occur or which are set forth in such letter; or (D) any unaudited pro forma consolidated financial statements included or incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Act and the Regulations or the pro forma adjustments have not been properly applied to the historical amounts in the compilation of those statements; and (iv) stating that they have compared specific dollar amounts, numbers of shares, percentages of revenues and earnings, and other financial information pertaining to the Company and its subsidiaries set forth in the Registration Statement and the Prospectus, which have been specified by you prior to the date of this Agreement, to the extent that such amounts, numbers, percentages, and information may be derived from the general accounting and financial records of the Company and its subsidiaries or from schedules furnished by the Company, and excluding any questions requiring an interpretation by legal counsel, with the results obtained from the application of specified readings, inquiries, and other appropriate procedures specified by you set forth in such letter, and found them to be in agreement.

(g) At the time this Agreement is executed and at the Closing Date, you shall have received a letter from Deloitte & Touche LLP, independent public accountants for World Crisa Corporation and Crisa Corporation (collectively, "Crisa"), dated, as of the date of this Agreement addressed to the Underwriters and in form and substance satisfactory to you, to the effect that: (i) they are independent certified public accountants with respect to Crisa within the meaning of the Act and the Regulations; (ii) stating that, in their opinion, the financial statements and schedules of Crisa incorporated by reference in the Registration Statement and the Prospectus and covered by their opinion therein comply as to form in all material respects with the applicable accounting requirements of the Act and the Exchange Act and the applicable published rules and regulations of the Commission thereunder; (iii) on the basis of procedures consisting of a reading of the latest available unaudited interim consolidated financial statements of Crisa, a reading of the minutes of meetings and consents of the shareholders and boards of directors of Crisa and the committees of such boards subsequent to December 31, 1996, inquiries of officers and other employees of Crisa who have responsibility for financial and accounting matters of Crisa with respect to transactions and events subsequent to December 31, 1996 and other specified procedures and inquiries to August 29, 1997, nothing has come to their attention that would cause them to believe that:
the unaudited consolidated financial statements and schedules of Crisa incorporated by reference in the Registration Statement and the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Act and, if applicable, the Exchange Act and the applicable published rules and regulations of the Commission thereunder or that such unaudited consolidated financial statements are not fairly presented in conformity with generally accepted accounting principles except to the extent certain footnote disclosures have been omitted in accordance with applicable rules of the Commission under the Exchange Act applied on a basis substantially consistent with that of the audited consolidated financial statements incorporated by reference in the Registration Statement and the Prospectus; and
(iv) stating that they have compared specific dollar amounts, numbers of shares, percentages of revenues and earnings, and other financial information pertaining to Crisa set forth in the Registration Statement and the Prospectus, which have been specified by you prior to the date of this Agreement, to the extent that such amounts, numbers, percentages, and information may be derived from the general accounting and financial records of Crisa or from schedules furnished by Crisa, and excluding any questions requiring an interpretation by legal counsel, with the results obtained from the application of specified readings, inquiries, and other appropriate procedures specified by you set forth in such letter, and found them to be in agreement.

(h) At the time this Agreement is executed and at the Closing Date, you shall have received a letter from Deloitte & Touche (Mexico), independent public accountants for Vitrocrisa, S.A. de C.V. ("Vitro"), dated, as of the date of this Agreement and as of the Closing Date addressed to the Underwriters and in form and substance satisfactory to you, to the effect that:
(i) they are independent certified public accountants with respect to Vitro within the meaning of the Act and the Regulations; (ii) stating that, in their opinion, the financial statements and schedules of Vitro incorporated by reference in the Registration Statement and the Prospectus and covered by their opinion therein comply as to form in all material respects with the applicable accounting requirements of the Act and the Exchange Act and the applicable published rules and regulations of the Commission thereunder; (iii) on the basis of procedures

consisting of a reading of the latest available unaudited interim consolidated financial statements of Vitro, a reading of the minutes of meetings and consents of the shareholders and boards of directors of Vitro and the committees of such boards subsequent to December 31, 1996, inquiries of officers and other employees of Vitro who have responsibility for financial and accounting matters of Vitro with respect to transactions and events subsequent to December 31, 1996 and other specified procedures and inquiries to a date not more than five days prior to the date of such letter, nothing has come to their attention that would cause them to believe that: (A) the unaudited consolidated financial statements and schedules of Vitro incorporated by reference in the Registration Statement and the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Act and, if applicable, the Exchange Act and the applicable published rules and regulations of the Commission thereunder or that such unaudited consolidated financial statements are not fairly presented in conformity with generally accepted accounting principles except to the extent certain footnote disclosures have been omitted in accordance with applicable rules of the Commission under the Exchange Act applied on a basis substantially consistent with that of the audited consolidated financial statements incorporated by reference in the Registration Statement and the Prospectus; (B) with respect to the period subsequent to June 30, 1997 there were, as of the date of the most recent available monthly consolidated financial statements of Vitro Entities, if any, any changes in the capital stock or long-term indebtedness of Vitro or any decrease in the net current assets or stockholders' equity of Vitro, in each case as compared with the amounts shown in the most recent balance sheet presented in the Registration Statement and the Prospectus, except for changes or decreases which the Registration Statement and the Prospectus disclose have occurred or may occur or which are set forth in such letter or (C) that during the period from June 30, 1997 to the date of the most recent available monthly consolidated financial statements of Vitro, if any, there was any decrease, as compared with the corresponding period in the prior fiscal year, in total revenues, or total or per share net income, except for decreases which the Registration Statement and the Prospectus disclose have occurred or may occur or which are set forth in such letter; and (iv) stating that they have compared specific dollar amounts, numbers of shares, percentages of revenues and earnings, and other financial information pertaining to Vitro set forth in the Registration Statement and the Prospectus, which have been specified by you prior to the date of this Agreement, to the extent that such amounts, numbers, percentages, and information may be derived from the general accounting and financial records of Vitro or from schedules furnished by Vitro, and excluding any questions requiring an interpretation by legal counsel, with the results obtained from the application of specified readings, inquiries, and other appropriate procedures specified by you set forth in such letter, and found them to be in agreement.

(i) Prior to the Closing Date the Company shall have furnished to you such further information, certificates and documents as you may reasonably request.

(j) You shall have received from each person who is a director or executive officer of the Company an agreement to the effect that (except with respect to any shares of Common Stock under such executive officer's 401(k) Plans) such person will not, directly or indirectly, without your prior written consent, sell, offer or agree to sell, contract to sell, grant any option to purchase, make a short sale, or otherwise dispose of or engage in any hedging or other transaction that is designed or reasonably expected to lead to a disposition of (or announce

any such offer, sale, grant of an option to purchase, or other disposition or transaction relating to) any shares of Common Stock, any option or warrant to purchase shares of Common Stock or any securities convertible into, exercisable for or exchangeable or exercisable for shares of Common Stock, for a period of 90 days after the date of the Prospectus.

(k) At the Closing Date, the Shares shall have been approved for listing on the New York Stock Exchange, upon notice of issuance.

If any of the conditions specified in this Section 6 shall not have been fulfilled when and as required by this Agreement, or if any of the certificates, opinions, written statements or letters furnished to you or to Underwriters' Counsel pursuant to this Section 6 shall not be in all material respects reasonably satisfactory in form and substance to you and to Underwriters' Counsel, all obligations of the Underwriters hereunder may be cancelled by you at, or at any time prior to, the Closing Date and the obligations of the Underwriters to purchase the Additional Shares may be cancelled by you at, or at any time prior to, the Additional Closing Date. Notice of such cancellation shall be given to the Company in writing, or by telephone, telex or telegraph, confirmed in writing.

7. Indemnification.

(a) The Company agrees to indemnify and hold harmless each Underwriter, its officers and employees and each person, if any, who controls any Underwriter within the meaning of Section 15 of the Act or Section 20(a) of the Exchange Act, against any and all losses, liabilities, claims, damages and expenses whatsoever as incurred (including but limited to attorneys' fees and any and all expenses whatsoever incurred in investigating, preparing or defending against any litigation, commenced or threatened, or any claim whatsoever, and any and all amounts paid in settlement of any claim or litigation), joint or several, to which they or any of them may become subject under the Act, the Exchange Act or otherwise, insofar as such losses, liabilities, claims, damages or expenses (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the registration statement for the registration of the Shares, as originally filed or any amendment thereof, or any related preliminary prospectus or the Prospectus, or in any supplement thereto or amendment thereof, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; PROVIDED, HOWEVER, that the Company will not be liable in any such case to the extent but only to the extent that any such loss, liability, claim, damage or expense arises out of or is based upon any such untrue statement or alleged untrue statement or omission or alleged omission made therein in reliance upon and in conformity with written information furnished to the Company by or on behalf of any Underwriter through you expressly for use therein; AND PROVIDED, FURTHER, that as to any preliminary prospectus this indemnity shall not inure to the benefit of any Underwriter, its officers or employees or any person controlling such Underwriter on account of any loss, claim, damage, liability or action arising from the sale of the Shares to any person by that Underwriter if that Underwriter failed to send or give a copy of the Prospectus, as the same may be amended or supplemented, to that person within the time required by the Act, and the untrue statement or alleged untrue statement of a material fact or

omission or alleged omission of a material fact in such preliminary prospectus was corrected in the Prospectus, unless such failure resulted from non-compliance by the Company with Section 4(c). For purposes of the last proviso to the immediately preceding sentence, the term "Prospectus" shall not be deemed to include the documents incorporated by reference therein, and no Underwriter shall be obligated to send or give any supplement or amendment to any document incorporated by reference in any preliminary prospectus or the Prospectus to any person other than a person to whom such Underwriter had delivered such incorporated document or documents in response to a written request therefor. This indemnity agreement will be in addition to any liability which the Company may otherwise have including under this Agreement.

(b) Each Underwriter severally, and not jointly, agrees to indemnify and hold harmless the Company, each of the directors of the Company, each of the officers of the Company who shall have signed the Registration Statement, and each other person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20(a) of the Exchange Act, against any losses, liabilities, claims, damages and expenses whatsoever as incurred (including but not limited to attorneys' fees and any and all expenses whatsoever incurred in investigating, preparing or defending against any litigation, commenced or threatened, or any claim whatsoever, and any and all amounts paid in settlement of any claim or litigation), joint or several, to which they or any of them may become subject under the Act, the Exchange Act or otherwise, insofar as such losses, liabilities, claims, damages or expenses (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the registration statement for the registration of the Shares, as originally filed or any amendment thereof, or any related preliminary prospectus or the Prospectus, or in any amendment thereof or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that any such loss, liability, claim, damage or expense arises out of or is based upon any such untrue statement or alleged untrue statement or omission or alleged omission made therein in reliance upon and in conformity with written information furnished to the Company by or on behalf of any Underwriter through you expressly for use therein; PROVIDED, HOWEVER, that in no case shall any Underwriter be liable or responsible for any amount in excess of the underwriting discount applicable to the Shares purchased by such Underwriter hereunder. This indemnity will be in addition to any liability which any Underwriter may otherwise have including under this Agreement. The Company acknowledges that the statements set forth in the last paragraph of the cover page and in the third and seventh paragraphs under the caption "Underwriting" in the Prospectus constitute the only information furnished in writing by or on behalf of any Underwriter expressly for use in the registration statement relating to the Shares as originally filed or in any amendment thereof, any related preliminary prospectus or the Prospectus or in any amendment thereof or supplement thereto, as the case may be.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify each party against whom indemnification is to be sought in writing of the commencement thereof (but

the failure so to notify an indemnifying party shall not relieve it from any liability which it may have under this Section 7). In case any such action is brought against any indemnified party, and it notifies an indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein, and to the extent it may elect by written notice delivered to the indemnified party promptly after receiving the aforesaid notice from such indemnified party, to assume the defense thereof with counsel satisfactory to such indemnified party. Notwithstanding the foregoing, the indemnified party or parties shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of such indemnified party or parties unless (i) the employment of such counsel shall have been authorized in writing by one of the indemnifying parties in connection with the defense of such action, (ii) the indemnifying parties shall not have employed counsel to have charge of the defense of such action within a reasonable time after notice of commencement of the action, or (iii) such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from or additional to those available to one or all of the indemnifying parties (in which case the indemnifying parties shall not have the right to direct the defense of such action on behalf of the indemnified party or parties), in any of which events such fees and expenses shall be borne by the indemnifying parties. Anything in this subsection to the contrary notwithstanding, an indemnifying party shall not be liable for any settlement of any claim or action effected without its written consent; PROVIDED, HOWEVER, that such consent was not unreasonably withheld. No indemnifying party shall without the prior written consent of the indemnified parties (which consent shall not be unreasonably withheld), settle or compromise or consent to the entry of any judgment with respect to any claim or action in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent includes an unconditional release of each indemnified party from all liability arising out of such claim or action.

8. CONTRIBUTION. In order to provide for contribution in circumstances in which the indemnification provided for in Section 7 hereof is for any reason held to be unavailable from any indemnifying party or is insufficient to hold harmless a party indemnified thereunder, the Company and the Underwriters shall contribute to the aggregate losses, claims, damages, liabilities and expenses of the nature contemplated by such indemnification provision (including any investigation, legal and other expenses incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding or any claims asserted, but after deducting in the case of losses, claims, damages, liabilities and expenses suffered by the Company any contribution received by the Company from persons, other than the Underwriters, who may also be liable for contribution, including persons who control the Company within the meaning of Section 15 of the Act or Section 20(a) of the Exchange Act, officers of the Company who signed the Registration Statement and directors of the Company) as incurred to which the Company and one or more of the Underwriters may be subject, in such proportions as is appropriate to reflect the relative benefits received by the Company and the Underwriters from the offering of the Shares or, if such allocation is not permitted by applicable law or indemnification is not available as a result of the indemnifying party not having received notice as provided in Section 7 hereof, in such proportion as is appropriate to reflect not only the relative benefits referred to above but also the relative fault of the Company and the Underwriters in connection

with the statements or omissions which resulted in such losses, claims, damages, liabilities or expenses, as well as any other relevant equitable considerations. The relative benefits received by the Company and the Underwriters shall be deemed to be in the same proportion as (x) the total proceeds from the offering
(net of underwriting discounts and commissions but before deducting expenses)
received by the Company and (y) the underwriting discounts and commissions received by the Underwriters, respectively, in each case as set forth in the table on the cover page of the Prospectus. The relative fault of the Company and of the Underwriters shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 8 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this Section 8, (i) in no case shall any Underwriter be liable or responsible for any amount in excess of the underwriting discount applicable to the Shares purchased by such Underwriter hereunder, and (ii) no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. Notwithstanding the provisions of this Section 8 and the preceding sentence, no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Shares underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. For purposes of this Section 8, each person, if any, who controls an Underwriter within the meaning of Section 15 of the Act or Section 20(a) of the Exchange Act shall have the same rights to contribution as such Underwriter, and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20(a) of the Exchange Act, each officer of the Company who shall have signed the Registration Statement and each director of the Company shall have the same rights to contribution as the Company, subject in each case to clauses (i) and (ii) of this Section 8. Any party entitled to contribution will, promptly after receipt of notice of commencement of any action, suit or proceeding against such party in respect of which a claim for contribution may be made against another party or parties, notify each party or parties from whom contribution may be sought, but the omission to so notify such party or parties shall not relieve the party or parties from whom contribution may be sought from any obligation it or they may have under this Section 8 or otherwise. No party shall be liable for contribution with respect to any action or claim settled without its consent; PROVIDED, HOWEVER, that such consent was not unreasonably withheld.

9. Default by an Underwriter.

(a) If any Underwriter or Underwriters shall default in its or their obligation to purchase Firm Shares or Additional Shares hereunder, and if the Firm Shares or Additional Shares with respect to which such default relates do not (after giving effect to arrangements, if any, made by you pursuant to subsection (b) below) exceed in the aggregate 10% of the number

of Firm Shares or Additional Shares which the Underwriters have agreed to purchase hereunder, then such Firm Shares or Additional Shares to which the default relates shall be purchased by the non-defaulting Underwriters in proportion to the respective proportions which the numbers of Firm Shares set forth opposite their respective names in Schedule I hereto bear to the aggregate number of Firm Shares set forth opposite the names of the non-defaulting Underwriters.

(b) In the event that such default relates to more than 10% of the Firm Shares or Additional Shares, as the case may be, you may in your discretion arrange for yourself or for another party or parties (including any non-defaulting Underwriter or Underwriters who so agree) to purchase such Firm Shares or Additional Shares, as the case may be, to which such default relates on the terms contained herein. In the event that within five calendar days after such a default you do not arrange for the purchase of the Firm Shares or Additional Shares, as the case may be, to which such default relates as provided in this Section 9, this Agreement or, in the case of a default with respect to the Additional Shares, the obligations of the Underwriters to purchase and of the Company to sell the Additional Shares shall thereupon terminate, without liability on the part of the Company with respect thereto (except in each case as provided in Section 5, 7(a) and 8 hereof) or the Underwriters, but nothing in this Agreement shall relieve a defaulting Underwriter or Underwriters of its or their liability, if any, to the other Underwriters and the Company for damages occasioned by its or their default hereunder.

(c) In the event that the Firm Shares or Additional Shares to which the default relates are to be purchased by the non-defaulting Underwriters, or are to be purchased by another party or parties as aforesaid, you or the Company shall have the right to postpone the Closing Date or Additional Closing Date, as the case may be for a period, not exceeding five business days, in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus or in any other documents and arrangements, and the Company agrees to file promptly any amendment or supplement to the Registration Statement or the Prospectus which, in the opinion of Underwriters' Counsel, may thereby be made necessary or advisable. The term "Underwriter" as used in this Agreement shall include any party substituted under this Section 9 with like effect as if it had originally been a party to this Agreement with respect to such Firm Shares and Additional Shares.

10. SURVIVAL OF REPRESENTATIONS AND AGREEMENTS. All representations and warranties, covenants and agreements of the Underwriters and the Company contained in this Agreement, including the agreements contained in
Section 5, the indemnity agreements contained in Section 7 and the contribution agreements contained in Section 8, shall remain operative and in full force and effect regardless of any investigation made by or on behalf of any Underwriter or any controlling person thereof or by or on behalf of the Company, any of its officers and directors or any controlling person thereof, and shall survive delivery of and payment for the Shares to and by the Underwriters. The representations contained in Section 1 and the agreements contained in Sections 5, 7, 8 and 11(d) hereof shall survive the termination of this Agreement, including termination pursuant to Section 9 or 11 hereof.

11. Effective Date of Agreement; Termination.

(a) This Agreement shall become effective upon the execution of this Agreement. Until this Agreement becomes effective as aforesaid, it may be terminated by the Company by notifying you or by you notifying the Company. Notwithstanding the foregoing, the provisions of this Section 11 and of Sections 1, 5, 7 and 8 hereof shall at all times be in full force and effect.

(b) You shall have the right to terminate this Agreement at any time prior to the Closing Date or the obligations of the Underwriters to purchase the Additional Shares at any time prior to the Additional Closing Date, as the case may be, if (A) any domestic or international event or act or occurrence has materially disrupted, or in your opinion will in the immediate future materially disrupt, the market for the Company's securities or securities in general; or (B) if trading on the New York or American Stock Exchanges shall have been suspended, or minimum or maximum prices for trading shall have been fixed, or maximum ranges for prices for securities shall have been required, on the New York or American Stock Exchanges by the New York or American Stock Exchanges or by order of the Commission or any other governmental authority having jurisdiction; or (C) if a banking moratorium has been declared by a state or federal authority or if any new restriction materially adversely affecting the distribution of the Firm Shares or the Additional Shares, as the case may be, shall have become effective; or (D) (i) if the United States becomes engaged in hostilities or there is an escalation of hostilities involving the United States or there is a declaration of a national emergency or war by the United States or (ii) if there shall have been such change in political, financial or economic conditions if the effect of any such event in (i) or (ii) as in your judgment makes it impracticable or inadvisable to proceed with the offering, sale and delivery of the Firm Shares or the Additional Shares, as the case may be, on the terms contemplated by the Prospectus.

(c) Any notice of termination pursuant to this Section 11 shall be by telephone, telex, or telegraph, confirmed in writing by letter.

(d) If this Agreement shall be terminated pursuant to any of the provisions hereof (otherwise than pursuant to (i) notification by you as provided in Section 11(a) hereof or (ii) Section 9(b) or 11(b) hereof), or if the sale of the Shares provided for herein is not consummated because any condition to the obligations of the Underwriters set forth herein is not satisfied or because of any refusal, inability or failure on the part of the Company to perform any agreement herein or comply with any provision hereof, the Company will, subject to demand by you, reimburse the Underwriters for all out-of-pocket expenses (including the fees and expenses of their counsel), reasonably incurred by the Underwriters in connection herewith.

12. NOTICES. All communications hereunder, except as may be otherwise specifically provided herein, shall be in writing and, if sent to any Underwriter, shall be mailed, delivered, or telexed or telegraphed and confirmed in writing, to such Underwriter c/o Bear, Stearns & Co. Inc., 245 Park Avenue, New York, N.Y. 10167, Attention: James B. Nish; if sent to the Company, shall be mailed, delivered, or telegraphed and confirmed in writing to the Company, 300 Madison Avenue, Toledo, Ohio 43604, Attention: Kenneth Wilkes.

13. PARTIES. This Agreement shall inure solely to the benefit of, and shall be binding upon, the Underwriters and the Company and the controlling persons, directors, officers, employees and agents referred to in Sections 7 and 8, and their respective successors and assigns, and no other person shall have or be construed to have any legal or equitable right, remedy or claim under or in respect of or by virtue of this Agreement or any provision herein contained. The term "successors and assigns" shall not include a purchaser, in its capacity as such, of Shares from any of the Underwriters.

14. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, BUT WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW.

If the foregoing correctly sets forth the understanding between you and the Company, please so indicate in the space provided below for that purpose, whereupon this letter shall constitute a binding agreement among us.

Very truly yours,

LIBBEY INC.

By: /s/ Kenneth G. Wilkes

Accepted as of the date first above written

BEAR, STEARNS & CO. INC.
MERRILL LYNCH & CO.
Merrill Lynch, Pierce, Fenner & Smith
Incorporated
SALOMON BROTHERS INC

By Bear, Stearns & Co. Inc.

By /s/ James B. Nish

On behalf of themselves and the other
Underwriters named in Schedule I hereto.

SCHEDULE I

Name of Underwriter	Number of Firm Shares to be Purchased
Bear, Stearns & Co. Inc.	586,700
Merrill Lynch, Pierce, Fenner & Smith Incorporated	586,650
Salomon Brothers Inc	586,650
BT Alex. Brown Incorporated	30,000
Dresdner Kleinwort Benson North America LLC	30,000
A.G. Edwards & Sons, Inc	30,000
J.P. Morgan Securities Inc	30,000
Morgan Stanley & Co. Incorporated	30,000
NationsBanc Montgomery Securities, Inc	30,000
Societe Generale Securities Corporation	30,000
Blackford Securities Corp	30,000
Total	2,000,000

PROSPECTUS SUPPLEMENT
(To Prospectus Dated June 19, 1997)

2,000,000 SHARES

LIBBEY LOGO

COMMON STOCK

All of the shares of Common Stock offered hereby (the "Offering") are being sold by Libbey Inc. ("Libbey" or the "Company"). The Common Stock is listed on The New York Stock Exchange (the "NYSE") under the symbol "LBY." On November 5, 1997, the last reported sale price of the Common Stock on the NYSE was $37 7/8 per share.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE

ACCURACY OR ADEQUACY OF THIS PROSPECTUS SUPPLEMENT OR THE PROSPECTUS TO WHICH IT RELATES. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

	PRICE TO THE PUBLIC	UNDERWRITING DISCOUNTS AND COMMISSIONS(1)	PROCEEDS TO THE COMPANY(2)
Per Share	$37.875	$1.705	$36.170
Total(3)	$75,750,000	$3,410,000	$72,340,000

(1) The Company has agreed to indemnify the Underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended. See "Underwriting."

(2) Before deducting offering expenses payable by the Company estimated at $600,000.

(3) The Company has granted to the Underwriters a 30-day option to purchase up to 300,000 additional shares of Common Stock on the same terms and conditions set forth above, to cover over-allotments, if any. If all such shares are purchased by the Underwriters, the total Price to the Public, Underwriting Discounts and Commissions and Proceeds to the Company will be $87,112,500, $3,921,500 and $83,191,000, respectively. See "Underwriting."

The shares of Common Stock are offered subject to prior sale, when, as and if delivered and accepted by the Underwriters and subject to certain other conditions. The Underwriters reserve the right to withdraw, cancel or modify said offer and to reject offers in whole or in part. It is expected that delivery of the Common Stock will be made on or about November 12, 1997 at the offices of Bear, Stearns & Co. Inc., 245 Park Avenue, New York, New York 10167.

BEAR, STEARNS & CO. INC.

MERRILL LYNCH & CO.
SALOMON BROTHERS INC
The date of this Prospectus Supplement is November 5, 1997

IT'S ABOUT GROWTH...

'93

In June 1993, Libbey, the leading producer of glass tableware in North America, becomes a public company (NYSE:LBY) through an initial public offering.

Concurrently, Libbey acquires the only machine-made glass manufacturer in Canada, Libbey Canada Inc. The acquisition allows Libbey to further penetrate the Canadian glass tableware market and broaden its product capabilities.

[PHOTO]

'95

Libbey expands in the foodservice industry in October 1995 with the acquisition of Syracuse China, a high quality manufacturer of ceramic dinnerware and accessories and a leader in the foodservice industry.

[PHOTO]

'97

Libbey announces an agreement to become a joint venture partner in Vitrocrisa, the largest glass tableware manufacturer in Mexico. A related distribution agreement allows Libbey to distribute Vitrocrisa glass tableware products in the U.S. and Canada and further expands Libbey's product assortment.

In addition, Libbey purchases World Tableware, a major supplier of flatware, dinnerware and other tabletop products to the foodservice industry in the United States.

[PHOTO]

CERTAIN PERSONS PARTICIPATING IN THIS OFFERING MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN OR OTHERWISE AFFECT THE PRICE OF THE COMMON STOCK, INCLUDING OVER-ALLOTMENT, STABILIZING AND SHORT-COVERING TRANSACTIONS AND THE IMPOSITION OF PENALTY BIDS. SEE "UNDERWRITING."

... LEAD

The August 1997 acquisition of World Tableware expanded Libbey's product line to include an assortment of metalware.

[PHOTO]

Syracuse China has introduced approximately 125 new products since its acquisition by Libbey.

[PHOTO]

INDUSTRIAL AND PREMIUM

- Products for the Candle, Floral, and Incentive Markets
- Specializing in Unique, Innovative Shapes and Decorations
- Offering Product Design, Packaging, and Application Expertise

[PHOTO]

Libbey, as the exclusive distributor of Vitrocrisa's glass tableware products in the United States and Canada, will expand its selection of glass tableware to new product categories, including glass bakeware.

[PHOTO]

ERSHIP...

FOODSERVICE

- The Tabletop Glassware Market Leader
- An Expanding Tabletop Product Portfolio; Glassware, Dinnerware, Flatware, Accessories
- Industry-Leading Sales Support and Distribution Network

[PHOTO]

World Tableware is a major provider of metal flatware to the foodservice industry in the United States.

[PHOTO]

RETAIL

- The Market Share Leader in Glass Beverageware
- Highest Unaided Brand Awareness in Glassware with U.S. Consumers
- Serving Specialty Housewares Retailers, Department Stores and Mass Merchants

[PHOTO]

PROSPECTUS SUPPLEMENT SUMMARY

The following summary is qualified in its entirety by the more detailed information, including the consolidated financial statements of the Company, the notes thereto, and the other financial data contained elsewhere or incorporated by reference in this Prospectus Supplement and the accompanying Prospectus. Prospective investors are urged to read this Prospectus Supplement, the accompanying Prospectus and the other information incorporated herein in their entirety. Unless otherwise indicated, all information in this Prospectus Supplement and the accompanying Prospectus assumes no exercise of the Underwriters' over-allotment option relating to the Offering. All references to "Libbey" or the "Company" shall mean Libbey Inc. and its consolidated subsidiaries, unless the context indicates otherwise, and all references to "Latin America" shall mean Mexico, South America and Central America, excluding the Caribbean Islands.

THE COMPANY

Libbey is the leading producer of glass tableware in the U.S. and Canada. The Company is also a major supplier of other tabletop products to the foodservice industry in the U.S. The Company's products are sold to a broad range of foodservice, retail, industrial and premium customers and are exported to more than 100 countries. The Company designs, manufactures and markets, under the Libbey(R) brand name, an extensive line of high-quality, machine-made glass beverageware and other glass tableware, including plates, bowls, serveware and accessories. The Company maintains over 2,000 glass tableware stock keeping units ("SKUs"), representing over 900 basic product items, sizes and shapes. Libbey is also a leading producer of ceramic dinnerware for the U.S. foodservice industry as a result of the Company's October 1995 acquisition of Syracuse China. In addition, the Company provides technical assistance to a number of foreign glass tableware manufacturers. For 1996, the Company had total revenues of $400.4 million and net income of $32.5 million.

The Company, according to management estimates, has a 64% share of glass tableware sales to the foodservice industry in the U.S. and a 70% share in Canada. The foodservice industry, which represents the Company's most significant customer group, includes restaurants, bars, hotels, schools, airlines, cruise ships, casinos, healthcare and catering operations. The foodservice industry is principally comprised of four categories: food, beverage, equipment and supply-related items. The Company is considered a major supplier of supply-related items. Supply-related items represent an important source of recurring revenue since the Company believes over 90% of all glass tableware sales and over 70% of all ceramic dinnerware sales to foodservice establishments are for replacements when items are broken, lost or stolen. Growth in the foodservice industry is being driven by favorable demographic trends, including an increase in dining outside of the home and increased travel and entertainment spending.

The Company is the leading supplier of glass beverageware to the retail industry in the U.S. The Company's retail customers include traditional department stores, specialty housewares stores, mass merchants and supermarkets. Sales to retail customers have increased since 1993 as a result of an enhanced new product development program that has capitalized on the strength of the Libbey brand name among consumers. In particular, the Company has been successful in growing its sales to targeted department and specialty housewares stores.

The Company is a major supplier of glassware to industrial customers. The Company defines its industrial products as glassware that is designed for candle and liquor gift packaging, floral purposes, lighting applications and other end uses. The Company's industrial sales have grown since 1993 primarily due to an increase in the popularity of candles and, more specifically, the use of glass containers in specialty candle packaging and displays, as well as increased demand for liquor gift sets and flower vases.

The Company is among the leaders in providing glass tableware used for promotional programs, and it pursues these opportunities selectively based on production availability and profit opportunities. The Company defines its premium sales as glass tableware sold for use as incentives with marketing and promotional programs including continuity programs. Customers in the premium area include major gasoline retailers, fast-food restaurant chains and supermarket chains.

Libbey exports its products through independent agents and distributors to over 100 countries throughout the world, competing in the glass tableware markets of Latin America, Asia and Europe. The Company considers its sales to export customers to be an important growth area. Export sales typically are related to foodservice and retail applications and have grown significantly since 1988, at a 16.2% compound annual growth rate.

The Company believes it is well-positioned to accelerate sales growth and further penetrate key markets through innovative product development, expanded sales coverage internationally and the acquisition of companies with complementary products. Consistent with this strategy, the Company completed the Vitro Transactions in August 1997, which are expected to enhance the Company's leadership position in glass tableware, expand the Company's product offering and increase the Company's market penetration in Latin America. See "-- Recent Developments."

The Company's principal offices are located at 300 Madison Avenue, Toledo, Ohio 43604, and its telephone number is (419) 325-2100. The Company was incorporated in Delaware in 1987 and is the ultimate successor to a business originally founded in 1818 as the New England Glass Company and acquired by a predecessor to Owens-Illinois, Inc. in 1935. The Company has been publicly owned since 1993, prior to which it was a wholly-owned subsidiary of Owens-Illinois, Inc.

COMPETITIVE STRENGTHS

Industry Leadership, Largest Installed Base. The Company has the leading position in glass tableware sales to foodservice customers in the U.S. and Canada. As a result of the Company's leadership position and long operating history, Libbey has the largest installed base of glass tableware at foodservice establishments, generating an important source of recurring revenue and representing a significant competitive advantage. Through its Syracuse China and World Tableware subsidiaries, the Company is also an established provider of ceramic dinnerware and metal flatware to the foodservice industry. See "-- Recent Developments".

Strong Brand Name Recognition. The Libbey(R) name is one of the most recognized brand names in consumer housewares in the U.S. According to a 1996 National Family Opinion Poll, the Company has the highest unaided brand awareness in its glassware category, at 41%. In the foodservice industry, the Company's Libbey(R) and Syracuse China(R) brand names have an established reputation for quality. The brand names associated with the Vitro Transactions, including Crisa, Amsilco, World Tableware and Ultima, are also well-recognized in the marketplace. See "-- Recent Developments."

Broad Product Offering. Known as America's Glassmaker, Libbey maintains over 2,000 glass tableware SKUs in one of the most extensive product portfolios in the U.S. and Canadian glass tableware industries. The Company has expanded its product portfolio to include ceramic dinnerware through complementary acquisitions, including the acquisition of Syracuse China. The Vitro Transactions further broaden the Company's product offering with new glass tableware, flatware, holloware and dinnerware product lines. See "-- Recent Developments."

Largest Manufacturing and Distribution Network. The Company's four glass tableware manufacturing facilities (three in the U.S. and one in Canada) and extensive sales and distribution network represent the largest manufacturing and distribution network in the U.S. and Canadian glass tableware industries, enabling the Company to provide a high level of service to end-users for glass tableware. Libbey's manufacturing process is highly automated, and the Company continuously refines its production machinery to incorporate technology advancements. Approximately 90% of the Company's foodservice product sales are made to its industry-leading independent distributor network, which has approximately 500 distributors located throughout the U.S. and Canada.

Largest Direct Sales Force. The Company maintains the largest sales force and customer service support staff for glass tableware and ceramic dinnerware sold to the foodservice industry. Libbey's extensive use of a direct sales force to market its products is unique among glass tableware and ceramic dinnerware companies and provides opportunities for the Company to complement the sales efforts of its distributors and influence the buying behavior of major end-users.

Successful Complementary Acquisitions. The Company has successfully completed strategic acquisitions of businesses with complementary product lines in new and existing markets with similar distribution channels and the potential for margin improvement. In June 1993, the Company acquired the operating assets of Libbey-St. Clair, now Libbey Canada, the only manufacturer of glass tableware in Canada. In October 1995, Libbey completed the acquisition of Syracuse China, resulting in the Company becoming a leading manufacturer of high-quality ceramic dinnerware to the U.S. foodservice industry. Most recently, in August 1997, Libbey completed the Vitro Transactions which are expected to enhance the Company's leadership position in glass tableware, offer sales growth opportunities with an assortment of complementary new products and expand the Company's international presence, particularly in Latin America. See "-- Recent Developments."

BUSINESS STRATEGY

The Company's business strategy is to: (i) capitalize on its leading position in glass tableware sales to the foodservice industry by selling an increasing number of foodservice supply-related products; (ii) expand its international presence; (iii) increase its presence in profitable segments of retail and industrial applications for its products; and (iv) improve the cost efficiency of its manufacturing and distribution capabilities. The primary components of this strategy are as follows.

Expand Product Offering to the Foodservice Industry. The Company intends to accelerate its sales growth and improve its profits through the acquisition of complementary supply-related product lines and continued introduction of innovative products. Libbey's acquisitions of Syracuse China and World Tableware have significantly expanded the Company's product offering to the foodservice industry to include ceramic dinnerware and metal flatware and holloware. The Company intends to use its leading market position with its foodservice customers and distribution advantages to increase the sales and profit potential of these acquired businesses.

The Company regularly introduces new products to meet changing consumer preferences. For example, in glass tableware, the Company has responded to the growth in beer consumption, particularly micro-brewed beers, by introducing 25 new beer mugs and glasses over the last three years. Since its acquisition by Libbey in 1995, Syracuse China has introduced approximately 125 new ceramic dinnerware products to its foodservice customers such as colored dinnerware, large-size platters and unique styles of plates. These new products capitalize on and further contribute to the Company's position as a preferred supplier to the foodservice industry.

Expand International Presence. The Company seeks to expand its international presence through increased exports, equity investments, including majority ownership interests, in foreign glass tableware operations in growing markets and continued technical assistance to foreign glass tableware manufacturers. Libbey exports its glass tableware products through independent agents and distributors to over 100 countries throughout the world and currently has technical assistance agreements with thirteen different companies covering operations in eleven countries. As part of the Vitro Transactions, Vitrocrisa, the largest manufacturer of glass tableware in Mexico, is now the exclusive distributor of Libbey's glass tableware products in Latin America. It is contemplated that Vitrocrisa will become the exclusive distributor of the Company's ceramic dinnerware and metal flatware products in Latin America. See "-- Recent Developments."

Strengthen Presence in Retail and Industrial Applications. The Company intends to increase its retail and industrial sales through a comprehensive new product development program and expanded marketing and sales programs. The Company actively monitors culinary and lifestyle trends, continually adjusts its product offering to satisfy consumer preferences and maintains targeted advertising and promotional programs. Each year since 1993, the Company has developed and introduced over 50 new glass shapes and sizes, many of which are directed to retail and industrial applications. This new product development focus has contributed to the Company increasing its presence in the more attractive department and specialty housewares segments of retail. Once limited to only foodservice applications, the Company now sells Syracuse China ceramic dinnerware products to retail and industrial customers by utilizing Syracuse China's high quality reputation and unique products.

Focus on Re-engineering and Cost Saving Initiatives. The Company is pursuing cost reductions and increased production efficiencies of existing and acquired operations. In late 1994, Libbey began implementing a significant re-engineering program in its glass tableware operations designed to increase asset utilization, enhance production efficiencies and flexibility, streamline administrative functions and improve overall customer service. As a result of these initiatives, the Company believes it will achieve meaningful increases in its manufacturing efficiency and reductions in its cost structure over time. In addition, the Company believes opportunities exist to improve the cost structure of Syracuse China and World Tableware over time through improved utilization of operational synergies.

Pursue Strategic Acquisitions. The Company is committed to pursuing strategic acquisitions to increase its product offering of supply-related items for the foodservice industry, enter new markets and expand its international presence. The Company's acquisitions of Libbey Canada and Syracuse China and the Vitro Transactions have provided the Company opportunities to establish growing positions with domestic and international foodservice and retail users of glass tableware, ceramic dinnerware and metal flatware.

RECENT DEVELOPMENTS

Vitro Transactions

On August 29, 1997, the Company completed a series of transactions with Vitro (collectively, the "Vitro Transactions") for a cash purchase price of approximately $100 million and the assumption of certain liabilities, financed through borrowings under the Bank Credit Agreement. The primary components of the Vitro Transactions included the Company becoming: (i) a 49% equity owner in Vitrocrisa; (ii) the exclusive distributor of Vitrocrisa's glass tableware products in the U.S. and Canada and Vitrocrisa becoming the exclusive distributor of Libbey glass tableware products in Latin America; (iii) the owner of substantially all of the assets and certain liabilities of the business formerly known as WorldCrisa, renamed World Tableware; and (iv) the owner of a 49% interest in the business of Crisa Industrial, L.L.C., which distributes industrial glassware in the U.S. and Canada for Vitrocrisa. As a result of the Vitro Transactions, the Company consolidates the financial results of World Tableware and includes in its financial results sales of Vitrocrisa's glass tableware in the U.S. and Canada pursuant to the distribution agreement described above. World Tableware and the glass tableware business of Vitrocrisa in the U.S. and Canada had combined revenues of $59.2 million in 1996. In addition, the Company includes in its financial results 49% of the net earnings of Vitrocrisa and Crisa Industrial, L.L.C. All references to "Vitro" shall mean Vitro S.A., a multinational company based in Monterrey, Mexico. All references to "Vitrocrisa" shall mean Vitrocrisa, S.A. de C.V., a joint venture between Libbey and Vitro that was formerly a wholly-owned subsidiary of Vitro. Vitrocrisa produces glass tableware and industrial glassware. All references to "World Tableware" shall mean the importer and provider of tabletop products, including ceramic dinnerware and metal flatware and holloware products, based in Dallas, Texas, formerly known as WorldCrisa and the assets of which were acquired by Libbey in the Vitro Transactions.

Vitrocrisa is the market leader in glass tableware in Mexico, serving foodservice, retail, industrial and premium customers, with an estimated 72% share. Vitrocrisa is also a major producer of industrial glassware products, including coffee pots, blender jars and meter covers, for original equipment manufacturers. Over the last three years, Vitrocrisa has implemented a wide-ranging re-engineering program that has contributed to improved profitability and customer service. For the six month period ended June 30, 1997, Vitrocrisa's operating income grew 31.8% to Ps145.6 million in constant pesos (or approximately $18.2 million assuming an exchange rate of 8 pesos per dollar) as compared to the year-ago period and operating income as a percent of sales increased to 22.1% as compared to 16.9% in the year-ago period. The distribution agreement with Vitrocrisa provides the Company with an extensive and distinct product offering including glass bakeware, handmade glass tableware and popular, moderately priced glass tableware.

As the exclusive U.S. and Canadian distributor of glass tableware manufactured by Vitrocrisa, the Company expects to be able to accelerate the growth of Vitrocrisa products sold in the U.S. and Canada by leveraging its existing distribution channels, customer relationships and strong market position with an expanded product line. In addition, the Company expects to increase its sales by supplying Vitrocrisa with Libbey glass tableware, Syracuse China dinnerware and World Tableware tabletop products to be distributed

in Latin America, thereby expanding the Company's international presence and creating a larger installed base of products in foreign markets.

World Tableware is a leading importer and marketer of metal flatware and holloware products to the U.S. foodservice industry. In addition, it provides a wide assortment of ceramic dinnerware. The World Tableware acquisition provides the Company with: (i) an increasing number of foodservice supply-related products that complement its existing product line; (ii) a position as a major supplier of metal flatware to foodservice customers; (iii) a broad selection of ceramic dinnerware at various selling prices to complement the Company's Syracuse China products; (iv) an expanded customer base; and (v) the opportunity to sell metal flatware and holloware and an expanded ceramic dinnerware offering to the Company's retail, industrial, premium and export customers. The Company expects to increase sales by leveraging its sales force to market Libbey, Syracuse China and World Tableware products to existing and new customers and improve the profitability of World Tableware by realizing certain operating synergies, including the elimination of redundant operating expenses.

Third Quarter Financial Results

On October 20, 1997, the Company announced financial results for the third quarter of 1997. Total revenues for the three months ended September 30, 1997 increased 10.2% to $105.4 million, from $95.6 million for the comparable period in 1996, primarily due to increases in glassware sales and the effects of the Vitro Transactions. Total revenues for the nine months ended September 30, 1997 were $289.4 million, compared to $284.6 million for the comparable period in 1996, reflecting an improved sales mix from the elimination of low margin business. Net income for the three months ended September 30, 1997 increased 15.8% to $11.6 million, or $0.74 per share, from $10.0 million, or $0.65 per share, for the comparable period in 1996. Net income for the nine months ended September 30, 1997 increased 16.4% to $26.3 million, or $1.69 per share, from $22.6 million, or $1.47 per share, for the comparable period in 1996.

THE OFFERING

Common Stock offered.....	2,000,000 shares.
Common Stock outstanding after the Offering (1).....	17,232,391 shares.
NYSE Symbol.....	LBY
Use of Proceeds.....	The net proceeds from the Offering will be used to repay certain indebtedness outstanding under the unsecured credit agreement among Libbey Glass Inc., Libbey Canada Inc. and the lenders named therein (the "Bank Credit Agreement"). See "Use of Proceeds."
Dividend Policy.....	The Company pays a regular quarterly cash dividend of $.075 per share, or $.30 per year. See "Price Range of Common Stock and Dividend Policy."

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(1) Based on 15,232,391 shares of Common Stock outstanding as of October 15, 1997. Excludes, at October 15, 1997, approximately 1,134,329 shares of Common Stock issuable pursuant to immediately exercisable stock options.

SUMMARY HISTORICAL FINANCIAL DATA

The selected consolidated financial data presented below for each of the three years in the period ended December 31, 1996 have been derived from the Company's Consolidated Financial Statements which were audited by Ernst & Young LLP, independent auditors. The selected consolidated financial data for the six months ended June 30, 1996 and 1997 were derived from the unaudited consolidated financial statements of the Company, which in the opinion of management, reflect all adjustments necessary, which consist only of normal recurring adjustments, for a fair presentation of the interim period financial data. The results for the six months are not necessarily indicative of the results to be expected for the full year. The data set forth are qualified in their entirety by, and should be read in conjunction with, "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere herein and the Company's Consolidated Financial Statements, notes thereto and other financial and statistical information incorporated by reference herein.

	YEARS ENDED DECEMBER 31,			SIX MONTHS ENDED JUNE 30,	
	1994	1995	1996	1996	1997
	(AMOUNTS IN THOUSANDS, EXCEPT PER SHARE DATA)				
OPERATING RESULTS					
Total revenues	$335,880	$360,082	$400,354	$189,037	$184,053
Earnings before interest and income taxes	58,993	63,683	68,498	28,830	30,971
Interest expense-net	13,797	13,974	14,962	7,932	6,744
Net income	26,687	30,024	32,550	12,643	14,778
Per share data(1):					
Net income	$ 1.78	$ 1.97	$ 2.12	$ 0.82	$ 0.95
Dividends paid	0.30	0.30	0.30	0.15	0.15
Weighted average shares outstanding(1)	15,000	15,268	15,352	15,345	15,537
OTHER INFORMATION					
Depreciation and amortization	$ 16,276	$ 18,158	$ 21,485	$ 11,223	$ 11,163
Capital expenditures	17,361	20,198	15,386	6,355	6,861

	AT DECEMBER 31,			AT JUNE 30,	
	1994	1995	1996	1996	1997
	(DOLLARS IN THOUSANDS)				
BALANCE SHEET DATA					
Total assets	$255,981	$321,815	$315,733	$326,370	$339,281
Working capital(2)	41,263	74,795	65,823	79,350	97,514
Total debt	213,999	248,721	207,376	239,620	221,315
Total shareholders' equity	(73,073)	(47,116)	(18,447)	(36,581)	(3,611)

(1) Includes common share equivalents.
(2) Excludes short-term debt.

SUMMARY PRO FORMA FINANCIAL DATA

The unaudited pro forma information presented below was derived from the unaudited pro forma consolidated financial statements and notes thereto (the "Pro Forma Statements") included in this Prospectus Supplement under "Unaudited Pro Forma Consolidated Financial Information." See "-- Recent Developments" and "Selected Consolidated Financial Data."

	YEAR ENDED DECEMBER 31, 1996	SIX MONTHS ENDED JUNE 30, 1997
	(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA	
PRO FORMA OPERATING RESULTS(1)		
As Adjusted for the Vitro Transactions		
Total revenues	$ 460,419	$214,361
Earnings before interest and income taxes	75,964	35,478
Interest expense-net	21,184	9,855
Net income	32,528	15,412
Net income per share(2)	$ 2.12	$ 0.99
As Further Adjusted for the Offering(3)		
Net income	$ 34,986	$ 16,657
Net income per share(2)	$ 2.02	$ 0.95
BALANCE SHEET DATA		
Total assets		$452,176
Working capital(4)		110,527
Total debt		255,373
Total shareholders' equity		65,389

(1) For an explanation of pro forma adjustments and amounts, see "Notes to Unaudited Pro Forma Consolidated Financial Information."
(2) Includes common share equivalents.
(3) The Offering includes 2,000,000 shares at an assumed offering price of $37 per share.
(4) Excludes short-term debt.

USE OF PROCEEDS

The Company will use the net proceeds from the Offering to repay certain indebtedness outstanding under the Bank Credit Agreement. Outstanding borrowings under the Bank Credit Agreement, which terminates on May 1, 2002, bear interest of 6.11% as of September 30, 1997.

PRICE RANGE OF COMMON STOCK AND DIVIDEND POLICY

The Common Stock is traded on the NYSE under the symbol "LBY." The following table sets forth, for each of the quarterly periods indicated, the high and low closing sale prices of the Common Stock as reported on the NYSE.

YEAR	HIGH	LOW
1995		
First Quarter	$19 1/8	$14 1/2
Second Quarter	20 7/8	18 1/2
Third Quarter	24 1/4	20 5/8
Fourth Quarter	23 5/8	20 1/4
1996		
First Quarter	$23 3/8	$19 3/4
Second Quarter	27 3/4	21 1/4
Third Quarter	28 1/4	25 1/2
Fourth Quarter	27 7/8	23 5/8
1997		
First Quarter	$33 1/4	$27
Second Quarter	35 3/8	29
Third Quarter	39	33 7/16
Fourth Quarter (through November 5, 1997)	38 3/8	36 1/16

The Company pays a regular quarterly cash dividend of $.075 per share, or $.30 per year. The declaration of future dividends is within the discretion of the Board of Directors of the Company and will depend upon, among other things, business conditions, earnings and the financial condition of the Company. The Bank Credit Agreement limits the Company's ability to declare and pay dividends. Future indentures and loan facilities, if any, obtained by the Company may also prohibit or restrict the ability of the Company to pay dividends and make distributions to its stockholders. See "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Capital Resources and Liquidity."

CAPITALIZATION

The following table sets forth the consolidated capitalization of the Company at June 30, 1997 and as adjusted to give effect to the Vitro Transactions and the Offering. The table should be read in conjunction with the Consolidated Financial Statements of the Company, the notes thereto and the other financial data contained elsewhere or incorporated by reference in this Prospectus Supplement and the accompanying Prospectus. See "Use of Proceeds," "Unaudited Pro Forma Consolidated Financial Information," "Selected Consolidated Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	AT JUNE 30, 1997	
	ACTUAL	AS ADJUSTED(1)
	(DOLLARS IN THOUSANDS)	
Short-term debt:		
Notes payable	$ 20,000	$ 20,000
Long-term debt:		
Bank Credit Facility(2)	201,315	235,373
Total shareholders' equity:		
Common Stock, par value $.01 per share; 50,000,000 shares authorized		
15,176,621 shares issued and outstanding (actual)	152	
17,176,621 shares issued and outstanding (as adjusted)		172
Capital in excess of par value	194,289	263,269
Deficit	(197,855)	(197,855)
Cumulative foreign currency translation adjustment	(197)	(197)
Total shareholders' equity	(3,611)	65,389
Total capitalization	$217,704	$320,762

(1) For an explanation of pro forma adjustments and amounts, see "Notes to Unaudited Pro Forma Consolidated Financial Information."

(2) In conjunction with the Vitro Transactions the Company amended its Bank Credit Agreement on April 24, 1997 to increase the maximum borrowings from $300 million to $380 million and extended the termination date to May 1, 2002 from October 1, 1999. In addition, the borrowing rates under certain circumstances are lower than the prior facility and financial covenants and restrictions have been modified.

UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

The Unaudited Pro Forma Consolidated Financial Information is based on the historical financial statements of the Company, Vitrocrisa, Crisa Corporation ("Crisa") and WorldCrisa Corporation ("World Tableware") adjusted to give effect to: (i) the Vitro Transactions; and (ii) the issuance of 2,000,000 shares of Common Stock in the Offering at an assumed offering price of $37 per share and the application of the net proceeds thereof. The financial information of Vitrocrisa, Crisa and World Tableware ("Acquired Businesses") has been presented on a combined basis based upon the form of the transaction. Accordingly, World Tableware and the retail business of Crisa in the U.S. and Canada have been presented on a combined basis. The retail business of Crisa accounts for substantially all of the glass tableware sales of Vitrocrisa in the U.S. and Canada. The 49% investment interests of the Company in Vitrocrisa and Crisa Industrial, L.L.C. have been accounted for in accordance with the equity method of accounting. The Unaudited Pro Forma Consolidated Statements of Income for the year ended December 31, 1996 and six months ended June 30, 1997 give effect to the Vitro Transactions and the Offering as if they had occurred on January 1, 1996. The Pro Forma Unaudited Consolidated Balance Sheet gives effect to the Vitro Transactions and the Offering as if they had occurred on June 30, 1997. The pro forma adjustments are based upon available information and certain assumptions that management believes are reasonable.

The acquisition was accounted for under the purchase method of accounting. The total purchase price for the acquisition has been allocated to tangible and identifiable intangible assets and liabilities based upon management's estimates of their fair value. The allocation of the purchase price for the acquisition is subject to revision when additional information concerning asset and liability valuation is obtained. In management's opinion, the asset and liability valuation for the acquisition will not be materially different from the pro forma information presented. For purposes of presenting pro forma results, no changes in revenues have been made to reflect the results of any modification to operations that might have been made had the acquisition been consummated at the beginning of 1996.

THE UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS ARE PROVIDED FOR INFORMATIONAL PURPOSES ONLY AND SHOULD NOT BE CONSTRUED TO BE INDICATIVE OF THE COMPANY'S CONSOLIDATED FINANCIAL POSITION OR RESULTS OF OPERATIONS HAD SUCH EVENTS BEEN CONSUMMATED ON THE DATES ASSUMED. THE COMPANY'S ACTUAL CONSOLIDATED FINANCIAL POSITION AND RESULTS OF OPERATIONS IN FUTURE PERIODS WILL BE AFFECTED BY VARIOUS FACTORS, MANY OF WHICH ARE BEYOND THE COMPANY'S CONTROL, INCLUDING FLUCTUATIONS IN THE COMPANY'S EARNINGS AND INCREASES IN THE NUMBER OF OUTSTANDING SHARES OF THE COMPANY'S COMMON STOCK. THE PRO FORMA FINANCIAL STATEMENTS DO NOT, THEREFORE, PROJECT THE COMPANY'S FINANCIAL POSITION OR RESULTS OF OPERATIONS FOR ANY FUTURE DATE OR PERIOD.

The Unaudited Pro Forma Consolidated Financial Information and accompanying notes should be read in conjunction with the Consolidated Financial Statements and accompanying notes of the Company, the Financial Statements and accompanying notes of Vitrocrisa and the Combined Financial Statements and accompanying notes of WorldCrisa Corporation and Crisa Corporation incorporated herein by reference.

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 1997

	ACTUAL			
	COMPANY	ACQUIRED BUSINESSES	ADJUSTMENTS	PRO FORMA
	(AMOUNTS IN THOUSANDS, EXCEPT PER SHARE DATA)			
Revenues:				
Net sales	$182,433	$ 29,916	$ (108)(c)	$212,241
Royalties and net technical assistance	1,620		500(h)	2,120
Total revenues	184,053	29,916	392	214,361
Costs and expenses:				
Cost of sales	128,669	20,328	(30)(c) 331(j)	149,298
Selling, general and administrative expenses	24,457	7,511	126(a) (723)(b) (478)(c) (392)(d) (467)(e)	30,034
Total costs and expenses	153,126	27,839	(1,633)	179,332
Income from operations	30,927	2,077	2,025	35,029
Other income(expense):				
Equity earnings		3,923	(1,031)(a) (315)(i) (2,179)(l)	398
Other-net	44	(177)	184(c)	51
Earnings before interest and income taxes	30,971	5,823	(1,316)	35,478
Interest expense-net	(6,744)	(751)	(2,360)(f)	(9,855)
Income before income taxes	24,227	5,072	(3,676)	25,623
Provision for income taxes	9,449	120	642(g)	10,211
Net income	$ 14,778	$ 4,952	$(4,318)	$ 15,412
Net income per share	$ 0.95			$ 0.99
Weighted average shares outstanding including common share equivalents	15,537			15,537
As further adjusted for the Offering:				
Net income			$ 1,245(m)	$ 16,657
Net income per share				$ 0.95
Weighted average shares outstanding including common share equivalents				17,537

See Notes to Unaudited Pro Forma Consolidated Financial Information

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF INCOME
YEAR ENDED DECEMBER 31, 1996

	ACTUAL			
	COMPANY	ACQUIRED BUSINESSES	ADJUSTMENTS	PRO FORMA
	(AMOUNTS IN THOUSANDS, EXCEPT PER SHARE DATA)			
Revenues:				
Net sales	$397,656	$ 59,239	$ (174)(c)	$ 456,721
Royalties and net technical assistance	2,698		1,000(h)	3,698
Total revenues	400,354	59,239	826	460,419
Costs and expenses:				
Cost of sales	288,538	45,531	(639)(c) 233(j)	333,663
Selling, general and administrative expenses	44,620	14,311	74(a) (2,420)(b) (2,491)(c) (836)(d) (955)(e)	52,303
Total costs and expenses	333,158	59,842	(7,034)	385,966
Income from operations	67,196	(603)	7,860	74,453
Other income(expense):				
Equity earnings		6,587	(2,063)(a) 83(c) (630)(i) (4,012)(l)	(35)
Other-net	1,302	(148)	392(c)	1,546
Earnings before interest and income taxes	68,498	5,836	1,630	75,964
Interest expense-net	(14,962)	(1,575)	(4,647)(f)	(21,184)
Income before income taxes	53,536	4,261	(3,017)	54,780
Provision for income taxes	20,986	11	1,255(g)	22,252
Net income	$ 32,550	$ 4,250	$(4,272)	$ 32,528
Net income per share	$ 2.12			$ 2.12
Weighted average shares outstanding including common share equivalents	15,352			15,352
As further adjusted for the Offering:				
Net income			$ 2,458(m)	$ 34,986
Net income per share				$ 2.02
Weighted average shares outstanding including common share equivalents				17,352

See Notes to Unaudited Pro Forma Consolidated Financial Information

UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET

JUNE 30, 1997

	ACTUAL			
	COMPANY	ACQUIRED BUSINESSES	ADJUSTMENTS	PRO FORMA
	(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)			
ASSETS				
Current assets				
Cash	$ 3,750		$ 2(c)	$ 3,752
Accounts receivable, net	49,992	$ 11,496	(5,371)(c)	56,117
Inventories	94,435	22,766	(5,840)(c) (300)(k)	111,061
Other current assets	5,328	243	(146)(c)	5,425
Total current assets	153,505	34,505	(11,655)	176,355
Other assets				
Investments		80,475		80,475
Other assets	32,451	381	(247)(c)	32,585
Goodwill	37,131	8,239	774(c) 332(k)	46,476
Total other assets	69,582	89,095	859	159,536
Net property, plant and equipment	116,194	378	(37)(c) (250)(k)	116,285
Total assets	$ 339,281	$ 123,978	$ (11,083)	$ 452,176
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Notes payable	$ 20,000	$ 16,958	$ (9,650)(c) (7,308)(k)	$ 20,000
Accounts payable	14,878	6,499	1,428(c)	22,805
Accrued liabilities	26,529	4,553	(2,643)(c)	28,439
Other current liabilities	14,584			14,584
Total current liabilities	75,991	28,010	(18,173)	85,828
Long-term debt	201,315	80,475	22,583(k) (69,000)(m)	235,373
Deferred taxes and other liabilities	13,134			13,134
Nonpension retirement benefits	52,452			52,452
Shareholders' equity:				
Common stock, par value $.01 per share, 50,000,000 shares authorized, 15,176,121 shares issued and outstanding (17,176,121 as adjusted)	152	2,040	(2,040)(k) 20(m)	172
Capital in excess of par value	194,289	26,142	(26,142)(k) 68,980(m)	263,269
Deficit	(197,855)	(12,689)	12,689(k)	(197,855)
Cumulative foreign currency translation adjustment	(197)			(197)
Total shareholders' equity	(3,611)	15,493	53,507	65,389
Total liabilities and shareholders' equity	$ 339,281	$ 123,978	$ (11,083)	$ 452,176

See Notes to Unaudited Pro Forma Consolidated Financial Information

NOTES TO UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

(a) To reflect the net increase in amortization of goodwill related to the Vitro Transactions.

(b) To adjust for personnel expenses related to employees not retained by Libbey at the date of the acquisition as per the acquisition agreement.

(c) To adjust for revenue and expenses related to and elimination of certain assets and liabilities of World Tableware and Crisa not acquired. Items consist primarily of amounts relating to contracted services, leases, income taxes, intercompany amounts, and an outlet store.

(d) To adjust for the elimination of the administrative fees charged to World Tableware and Crisa by Vitrocrisa as per the acquisition agreement.

(e) To adjust for the termination of commissions related to sales representation agreements and royalty agreements for the sale of glassware as a result of the acquisition of World Tableware as per the acquisition agreement.

(f) To reflect the increase in interest expense with respect to borrowings incurred in connection with the Vitro Transactions in the principal amount of $103,700,000 at an assumed average annual interest rate of 6%.

(g) To adjust the provision for income taxes as a result of the acquisition.

(h) To adjust for the $1,000,000 annual technical assistance fee to be paid to Libbey from Vitrocrisa as per the acquisition agreement.

(i) To adjust for the elimination of the administrative fee paid by World Tableware and Crisa to Vitrocrisa (see note d) and the net payment for technical assistance fee as per the acquisition agreement.

(j) To adjust for transfer pricing as per the acquisition agreement for retail sales from Crisa to Libbey.

(k) To record the acquisition by Libbey including purchase price adjustments resulting from the acquisition estimated fair market values as of June 30, 1997.

(l) To adjust equity earnings for purchase price fair market value adjustments as of January 1, 1996.

(m) To decrease long-term debt by the assumed net proceeds of $69 million from the Offering with a corresponding increase in shareholders' equity and to decrease interest expense based on annual average interest rate of 6% net of an increase in the provision for income taxes.

SELECTED CONSOLIDATED FINANCIAL DATA

The selected consolidated financial data presented below for each of the three years in the period ended December 31, 1996 have been derived from the Company's Consolidated Financial Statements which were audited by Ernst & Young LLP, independent auditors. The selected consolidated financial data for the six months ended June 30, 1996 and 1997 were derived from the unaudited consolidated financial statements of the Company, which in the opinion of management, reflect all adjustments necessary, which consist only of normal recurring adjustments, for a fair presentation of the interim period financial data. The results for the six months are not necessarily indicative of the results to be expected for the full year. The data set forth are qualified in their entirety by, and should be read in conjunction with, "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere herein and the Company's Consolidated Financial Statements, notes thereto and other financial and statistical information incorporated by reference herein.

	YEARS ENDED DECEMBER 31,			SIX MONTHS ENDED JUNE 30,	
	1994	1995	1996	1996	1997
	(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)				
OPERATING RESULTS					
Net sales	$333,988	$357,546	$397,656	$187,805	$182,433
Royalties and net technical assistance income	1,892	2,536	2,698	1,232	1,620
Total revenues	335,880	360,082	400,354	189,037	184,053
Cost of sales	238,885	257,945	288,538	137,864	128,669
Selling, general and administrative expenses	37,772	38,953	44,620	23,102	24,457
Income from operations	59,223	63,184	67,196	28,071	30,927
Other income (expense)	(230)	499	1,302	759	44
Earnings before interest and income taxes	58,993	63,683	68,498	28,830	30,971
Interest expense-net	13,797	13,974	14,962	7,932	6,744
Income before income taxes	45,196	49,709	53,536	20,898	24,227
Provision for income taxes	18,509	19,685	20,986	8,255	9,449
Net income	$ 26,687	$ 30,024	$ 32,550	$ 12,643	$ 14,778
Per share data(1):					
Net income	$ 1.78	$ 1.97	$ 2.12	$ 0.82	$ 0.95
Dividends paid	0.30	0.30	0.30	0.15	0.15
OTHER INFORMATION					
Depreciation and amortization	$ 16,276	$ 18,158	$ 21,485	$ 11,223	$ 11,163
Capital expenditures	17,361	20,198	15,386	6,355	6,861

	AT DECEMBER 31,			AT JUNE 30,	
	1994	1995	1996	1996	1997
	(DOLLARS IN THOUSANDS)				
BALANCE SHEET DATA					
Total assets	$255,981	$321,815	$315,733	$326,370	$339,281
Working capital(2)	41,263	74,795	65,823	79,350	97,514
Total debt	213,999	248,721	207,376	239,620	221,315
Total shareholders' equity	(73,073)	(47,116)	(18,447)	(36,581)	(3,611)

(1) Includes common share equivalents.
(2) Excludes short-term debt.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

Libbey is the leading producer of glass tableware in the U.S. and Canada. The Company is also a major supplier of other tabletop products to the foodservice industry in the U.S. The Company's products are sold to a broad range of foodservice, retail and industrial and premium customers and are exported to more than 100 countries. The Company maintains over 2,000 glass tableware SKUs available for sale, representing over 900 basic product items, sizes and shapes. Libbey is also a leading producer of ceramic dinnerware for the U.S. foodservice industry as a result of the Company's 1995 acquisition of Syracuse China. In addition, the Company provides technical assistance to a number of foreign glass tableware manufacturers. For 1996, the Company had total revenues of $400.4 million, including $26.9 million of export sales, and net income of $32.5 million.

The foodservice industry is Libbey's most significant customer group and represents an important source of recurring revenue for the Company. Given the Company's leadership position and long operating history, Libbey has the largest installed base of glass tableware at foodservice establishments. Libbey estimates that over 90% of all glass tableware sales to the foodservice industry are for replacements when glass tableware is either broken, lost or stolen. Foodservice establishments prefer a consistent "look" on the tabletop and are reluctant to incur the high cost of changing glassware styles.

As part of its growth strategy since its IPO, Libbey has enhanced its market leadership, expanded its market share and added complementary product lines through strategic acquisitions and continued new product development. In June 1993, the Company acquired the operating assets of Libbey-St. Clair (now Libbey Canada), the only glass tableware manufacturer in Canada. In October 1995, the Company acquired Syracuse China, a leading manufacturer of high-quality ceramic dinnerware to the U.S. foodservice industry. In addition to strategic acquisitions, sales growth and profit improvement have benefited from the Company's development and introduction of over 50 new glass tableware products per year since 1993.

From late-1994 to 1996, Libbey implemented a significant re-engineering program to improve long-term competitiveness by improving asset utilization, increasing manufacturing and product development flexibility, streamlining administrative functions and enhancing customer service. The operational benefits of the re-engineering program will be realized in 1997 and beyond. Libbey's re-engineering program is expected to improve the Company's information systems, improve inventory management, increase manufacturing efficiencies and provide for further reductions in the Company's cost structure.

On August 29, 1997, the Company completed the Vitro Transactions for a cash purchase price of approximately $100 million and the assumption of certain liabilities, financed through borrowings under the Bank Credit Agreement. The primary components of the Vitro Transactions included the Company becoming: (i) a 49% equity owner in Vitrocrisa; (ii) the exclusive distributor of Vitrocrisa's glass tableware products in the U.S. and Canada and Vitrocrisa becoming the exclusive distributor of Libbey glass tableware products in Latin America; (iii) the owner of substantially all of the assets and certain liabilities of the business formerly known as WorldCrisa, renamed World Tableware; and (iv) the owner of a 49% interest in the business of Crisa Industrial, L.L.C. which distributes industrial glassware in the U.S. and Canada for Vitrocrisa. As a result of the Vitro Transactions, the Company consolidates the financial results of World Tableware and includes in its financial results sales of Vitrocrisa's glass tableware in the U.S. and Canada pursuant to the distribution agreement described above. World Tableware and the glass tableware business of Vitrocrisa in the U.S. and Canada had combined revenues of $59.2 million in 1996. In addition, the Company includes in its financial results 49% of the net earnings of Vitrocrisa and Crisa Industrial, L.L.C.

Between 1994 and 1996, Vitro undertook a series of restructuring initiatives at Vitrocrisa aimed at reducing costs and improving product mix. These initiatives included reducing its salaried workforce, improving administrative and manufacturing efficiencies and re-aligning its sales effort. As a result of these initiatives, Vitrocrisa's operating profits have increased significantly. Vitrocrisa's operating income for the six month period ended June 30, 1997 grew 31.8% to Ps145.6 million in constant pesos (or approximately

$18.2 million assuming an exchange rate of 8 pesos per dollar) as compared to the year-ago period and operating income as a percent of sales increased to 22.1% as compared to 16.9% in the year-ago period.

World Tableware and the Vitrocrisa U.S. and Canadian glass tableware business represent an additional opportunity for Libbey to increase sales by expanding into new markets and achieve further cost savings by leveraging the Company's industry leading distribution network. In addition, Libbey will selectively use its extensive sales and marketing resources to enhance market penetration of these products while reducing sales and distribution costs.

RESULTS OF OPERATIONS

Comparison Of First Six Months 1997 With First Six Months 1996

	SIX MONTHS ENDED JUNE 30,	
	1997	1996
	(DOLLARS IN THOUSANDS)	
Net sales	$182,433	$187,805
Gross profit	$ 53,764	$ 49,941
As a percentage of sales	29.5%	26.6%
Income from operations	$ 30,927	$ 28,071
As a percentage of sales	17.0%	14.9%
Net income	$ 14,778	$ 12,643

Net sales for the first six months of 1997 of $182.4 million decreased 2.9% from the net sales of $187.8 million reported in the comparable period in 1996. The decrease is due primarily to lower net sales to the Company's industrial and retail markets in the U.S. as the Company chose to eliminate certain sales which typically had experienced low or negative operating profit margins. Export sales were down 4.8%, decreasing to $13.6 million from $14.3 million in the year-ago period primarily due to a large premium order in the first quarter of 1996 which did not repeat in 1997.

Gross profit increased 7.7% to $53.8 million in the first six months of 1997 from $49.9 million in the first six months of 1996, and increased as a percentage of sales to 29.5% from 26.6%. Profit margins improved as a result of an improved mix of sales to more profitable products related to the termination of certain sales with low profit margins. In addition, lower expenses and higher efficiency performance in the Company's glassware facilities contributed to higher gross profit.

Income from operations increased 10.2% to $30.9 million from $28.1 million in the year-ago period. Operating income as a percentage of sales increased to 17.0% from 14.9% in the comparable year-ago period. A higher gross profit percentage more than offset higher selling, general and administrative expense, principally associated with higher marketing and sales management expenses.

Net income increased by $2.1 million due to items mentioned above, plus a reduction in the Company's effective tax rate from 39.5% to 39.0%, principally due to lower state income taxes, and decreased interest expense resulting from lower debt levels.

Years Ended December 31, 1996, December 31, 1995 and December 31, 1994

	YEAR ENDED DECEMBER 31,		
	1996	1995	1994
	(DOLLARS IN THOUSANDS)		
Net sales	$397,656	$357,546	$333,988
Gross profit	$109,118	$ 99,601	$ 95,103
As a percentage of sales	27.4%	27.9%	28.5%
Income from operations	$ 67,196	$ 63,184	$ 59,223
As a percentage of sales	16.9%	17.7%	17.7%
Net income	$ 32,550	$ 30,024	$ 26,687

Management is not aware of any events or uncertainties that are likely to have a material impact on prospective results of operations or financial condition. The Company historically has been able to adjust its prices to offset most of the effect of inflation, which has not had a significant effect on its operations.

Comparison of 1996 With 1995

Net sales for 1996 of $397.7 million were 11.2% higher than the net sales of $357.5 million reported in 1995. Contributing to the increase were greater sales at the Company's Canadian operations; higher sales to foodservice markets in the U.S.; significant increases in unit shipments to industrial customers and the inclusion of sales of Syracuse China for twelve months in 1996 compared with less than three months in 1995. Over one-half of the Company's sales increase is attributable to the inclusion of sales of Syracuse China for a full year in 1996. The remainder of the increase is due to higher unit volume offsetting lower average unit selling prices. Libbey's export sales increased slightly to $26.9 million in 1996 from $26.0 million in 1995.

Gross profit increased 9.6% to $109.1 million in 1996 from $99.6 million in 1995 and declined as a percentage of sales to 27.4% from 27.9% over this same period. Gross margins primarily were affected by product mix, with greater sales of lower-margin items in the industrial and export markets and the inclusion of Syracuse China. In addition, higher energy costs of approximately 30%, principally due to increased prices, and increased compensation costs, including the effects of the Company's new Goalsharing program, were factors.

Income from operations increased 6.3% to $67.2 million in 1996 from $63.2 million in 1995 and decreased as a percentage of net sales to 16.9% from 17.7%. The income from operations margin in 1996 was adversely affected by a lower gross profit margin and the inclusion of Syracuse China. Consultant fees associated with the Company's re-engineering initiative totaled $1.0 million. The Company expects to incur no material consultant expenditures relating to the re-engineering initiative in 1997. Management is targeting improvements in Libbey's cost structure through the elimination of waste and redundancies and more responsive customer service as a result of this initiative and expects these and other benefits to generate savings in 1997. In addition, the Company expects continued improvement in working capital utilization.

Net income increased 8.4% to $32.5 million in 1996 from $30.0 million in 1995. The increase is principally attributable to higher revenues and operating profits and a reduction in the Company's effective tax rate from 39.6% to 39.2%, principally due to lower state income taxes, offset by increased interest expense due to additional debt associated with the Syracuse China acquisition in October 1995.

Comparison of 1995 With 1994

Net sales for 1995 of $357.5 million were 7.1% higher than the net sales of $334.0 million reported in 1994. Contributing to the increase were greater sales at the Company's Canadian operations, higher sales to foodservice markets in the U.S., significant increases in unit shipments to industrial customers and the inclusion of sales of Syracuse China since October 10, 1995. A strong travel and entertainment industry in the U.S., growth in the use of Libbey products by dinnerware and candle companies and continued expansion of the Company's market position in Canada were major contributors to the sales growth. These improvements offset a decline in unit volume sold to retail channels of distribution, particularly mass merchants, due to sluggish market conditions generally experienced in the sale of consumer housewares in the U.S. The popularity of candles packed in glass vessels along with the appeal of the Company's production and servicing capabilities contributed to the growth in industrial sales. Approximately one-third of the Company's sales increase is attributable to the inclusion of sales of Syracuse China since the October 10, 1995 acquisition by Libbey. The remainder of the increase is primarily due to higher average unit selling prices, with improved sales mix a major contributing factor to the increase. Libbey's export sales decreased slightly to $26.0 million in 1995 from $26.7 million in 1994, principally due to promotional glassware programs in 1994 associated with the World Cup Soccer Championships, which were not expected to repeat.

Gross profit increased 4.7% to $99.6 million in 1995 from $95.1 million in 1994 and declined as a percentage of sales to 27.9% from 28.5% over this same period. Higher prices for corrugated materials, increased group insurance and workers' compensation costs and consultant fees and related expenses

associated with the re-engineering of the Company's manufacturing facilities were major contributors to the gross profit margin decline. Gross profit margins also were negatively affected by lower fixed cost absorption in the fourth quarter due to lower production levels and a partial shutdown for approximately one week due to a work stoppage at the Company's Toledo, Ohio facility. These costs more than offset improved sales mix and the inclusion of the gross profits of Syracuse China since October 10, 1995, the gross profit margin of which was higher than the Company average.

Income from operations increased 6.7% to $63.2 million in 1995 from $59.2 million in 1994 and remained constant as a percentage of net sales at 17.7%. The income from operations margin in 1995 was adversely affected by lower gross profit margins but was positively influenced by lower selling, general and administrative costs. The reduced selling, general and administrative expenses as a percentage of sales is the result of lower marketing expenses due to certain efficiencies and the timing of production of certain marketing materials. Lower selling expenses are partially due to efficiencies in selling and the effect of lower sales in select markets. The Company's re-engineering initiative, Project Alpha, involves analyzing and making changes to processes involved in the development, manufacture and sale of the Company's products. Approximately $2.3 million in expenses were associated with Project Alpha in 1995. Management is targeting improvements in Libbey's cost structure through the elimination of redundancies and more responsive customer service.

Net income increased 12.5% to $30.0 million in 1995 from $26.7 million in 1994. The increase is principally attributable to higher income from operations, slower growth in interest expense due to lower interest rates and a reduction in the Company's effective tax rate to 39.6% from 41.0%, primarily as a result of lower state taxes.

CAPITAL RESOURCES AND LIQUIDITY

The Company had total debt of $221.3 million at June 30, 1997, compared to $207.4 million at December 31, 1996. The increase in debt from December 31, 1996 is due to increased working capital requirements historically experienced during this period. Inventories at June 30, 1997 were $18.1 million higher than at December 31, 1996 principally due to the seasonal nature of the Company's business. The Company had additional capacity at June 30, 1997 under the Bank Credit Agreement of $173.7 million. At June 30, 1997, the Company had entered into interest rate protection agreements with respect to $150.0 million of debt under the Bank Credit Agreement. The average interest rate for the Company's borrowings related to the interest rate protection agreements was 5.69% with an average maturity of 1.5 years at June 30, 1997. Of Libbey's outstanding indebtedness, $71.2 million was subject to fluctuating interest rates at June 30, 1997. A change of one percentage point in such rates would result in a change in interest expense of approximately $.7 million on an annual basis. As a result of the Vitro Transactions, the Company amended its Bank Credit Agreement on April 24, 1997 to increase the maximum borrowings from $300 million to $380 million and extend the termination date to May 1, 2002 from October 1, 1999. As of September 30, 1997, borrowings under the Bank Credit Agreement totalled approximately $310 million. The Company will use the net proceeds of the Offering to repay indebtedness under the Bank Credit Agreement. See "Use of Proceeds."

The Company is not aware of any trends, demands, commitments, or uncertainties which will result or which are reasonably likely to result in a material change in Libbey's liquidity. The Company believes that its cash from operations and available borrowings under the Bank Credit Agreement will be sufficient to fund its operating requirements, capital expenditures and all other obligations (including debt service and dividends) throughout the remaining term of the Bank Credit Agreement. In addition, the Company anticipates refinancing the Bank Credit Agreement at or prior to the termination date of May 1, 2002 to meet the Company's longer term funding requirements.

NEW ACCOUNTING PRONOUNCEMENTS

The Financial Accounting Standards Board has issued Statement of Financial Accounting Standards No. 128 "Earnings Per Share" (FAS 128), No. 129 "Disclosure of Information about Capital Structure" (FAS 129), No. 130 "Reporting Comprehensive Income" (FAS 130) and No. 131 "Disclosure about Segments of an Enterprise and Related Information" (FAS 131). FAS 128, 129 and 130 are not anticipated

to have a material effect on the Company. The Company has not determined the impact of FAS 131, which will be applicable to the Company for the year ended December 31, 1998.

FORWARD LOOKING STATEMENTS

This Prospectus Supplement contains forward looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such statements are indicated by words or phrases such as "anticipate," "estimate," "project," "expect," "intend," "management believes," "target," "the Company believes" and similar words or phrases. Such statements are based on current expectations and are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. Important factors potentially affecting performance include devaluations and other major currency fluctuations relative to the U.S. dollar, the inability to achieve re-engineering related savings and profit improvements at targeted levels, or within the intended time periods, inability to achieve targeted efficiencies at Syracuse China and World Tableware, significant increases in interest rates and the per unit costs of natural gas, corrugated packaging, and other purchased materials, major slowdowns in the retail, travel or entertainment industries, whether the Company completes significant acquisitions, and whether such acquisitions can operate profitably.

BUSINESS

GENERAL

Libbey is the leading producer of glass tableware in the U.S. and Canada. The Company is also a major supplier of other tabletop products to the foodservice industry in the U.S. The Company's products are sold to a broad range of foodservice, retail, industrial and premium customers and are exported to more than 100 countries. The Company designs, manufactures and markets, under the Libbey brand name, an extensive line of high-quality, machine-made glass beverageware and other glass tableware, including plates, bowls, serveware and accessories. The Company maintains over 2,000 glass tableware SKUs, representing over 900 basic product items, sizes and shapes. Libbey is also a leading producer of ceramic dinnerware for the U.S. foodservice industry as a result of the Company's October 1995 acquisition of Syracuse China. In addition, the Company provides technical assistance to a number of foreign glass tableware manufacturers. In 1996, the Company had total revenues of $400.4 million and net income of $32.5 million.

The Company, according to management estimates, has a 64% share of glass tableware sales to the foodservice industry in the U.S. and a 70% share in Canada. The foodservice industry, which represents the Company's most significant customer group, includes restaurants, bars, hotels, schools, airlines, cruise ships, casinos, healthcare and catering operations. The foodservice industry is principally comprised of four categories: food, beverage, equipment and supply-related items. The Company is considered a major supplier of supply-related items. Supply-related items represent an important source of recurring revenue since the Company believes over 90% of all glass tableware sales and over 70% of all ceramic dinnerware sales to foodservice establishments are for replacements when items are broken, lost or stolen. Growth in the foodservice industry is being driven by favorable demographic trends, including an increase in dining outside of the home and increased travel and entertainment spending.

The Company is the leading supplier of glass beverageware to the retail industry in the U.S. The Company's retail customers include traditional department stores, specialty housewares stores, mass merchants and supermarkets. Sales to retail customers have increased since 1993 as a result of an enhanced new product development program that has capitalized on the strength of the Libbey brand name among consumers. In particular, the Company has been successful in growing its sales to targeted department and specialty housewares stores.

The Company is a major supplier of glassware to industrial customers. The Company defines its industrial products as glassware that is designed for candle and liquor gift packaging, floral purposes, lighting applications and other end uses. The Company's industrial sales have grown since 1993 primarily due to an increase in the popularity of candles and, more specifically, the use of glass containers in specialty candle packaging and displays, as well as increased demand for liquor gift sets and flower vases. The Company is among the market leaders in providing glassware used for promotional programs, and it pursues these opportunities selectively based on production availability and profit opportunities. The Company defines its premium sales as glassware sold for use as incentives with marketing and promotional programs including continuity programs. Customers in the premium market include major gasoline retailers, fast-food restaurant chains and supermarket chains.

Libbey exports its products through independent agents and distributors to over 100 countries throughout the world, competing in the glass tableware markets of Latin America, Asia and Europe. The Company considers its sales to export customers to be an important growth area. Export sales typically are related to foodservice and retail applications and have grown significantly since 1988, at a 16.2% compound annual growth rate.

The Company believes it is well-positioned to accelerate sales growth and further penetrate key markets through innovative product development, expanded sales coverage internationally and the acquisition of companies with complementary products. Consistent with this strategy, the Company completed the Vitro Transactions in August 1997, which are expected to enhance the Company's leadership position in glass tableware, expand the Company's product offering and increase the Company's market penetration in Latin America. See "-- Recent Developments."

COMPETITIVE STRENGTHS

Industry Leadership, Largest Installed Base. The Company has the leading position in glass tableware sales to foodservice customers in the U.S. and Canada. As a result of the Company's leadership position and long operating history, Libbey has the largest installed base of glass tableware at foodservice establishments, generating an important source of recurring revenue and representing a significant competitive advantage. Through its Syracuse China and World Tableware subsidiaries, the Company is also an established provider of ceramic dinnerware and metal flatware to the foodservice industry.

Strong Brand Name Recognition. The Libbey(R) name is one of the most recognized brand names in consumer housewares in the U.S. According to a 1996 National Family Opinion Poll, the Company has the highest unaided brand awareness in its glassware category, at 41%. In the foodservice industry, the Company's Libbey(R) and Syracuse China(R) brand names have an established reputation for quality. The brand names associated with the Vitro Transactions, including Crisa, Amsilco, World Tableware and Ultima, are also well-recognized in the marketplace. See "-- Recent Developments."

Broad Product Offering. Known as America's Glassmaker, Libbey maintains over 2,000 glass tableware SKUs in one of the most extensive product portfolios in the U.S. and Canadian glass tableware industries. The Company has expanded its product portfolio to include ceramic dinnerware through complementary acquisitions, including the acquisition of Syracuse China. The Vitro Transactions further broaden the Company's product offering with new glass tableware, flatware, holloware and dinnerware product lines. See "-- Recent Developments."

Largest Manufacturing and Distribution Network. The Company's four glass tableware manufacturing facilities (three in the U.S. and one in Canada) and extensive sales and distribution network represent the largest manufacturing and distribution network in the U.S. and Canadian glass tableware industries, enabling the Company to provide a high level of service to end-users for glass tableware. Libbey's manufacturing process is highly automated, and the Company continuously refines its production machinery to incorporate technology advancements. Approximately 90% of the Company's foodservice product sales are made to its industry-leading independent distributor network, which has approximately 500 distributors located throughout the U.S. and Canada.

Largest Direct Sales Force. The Company maintains the largest sales force and customer service support staff for glass tableware and ceramic dinnerware sold to the foodservice industry. Libbey's extensive use of a direct sales force to market its products is unique among glass tableware and ceramic dinnerware companies and provides opportunities for the Company to complement the sales efforts of its distributors and influence the buying behavior of major end-users.

Successful Complementary Acquisitions. The Company has successfully completed strategic acquisitions of businesses with complementary product lines in new and existing markets with similar distribution channels and the potential for margin improvement. In June 1993, the Company acquired the operating assets of Libbey-St. Clair, now Libbey Canada, the only manufacturer of glass tableware in Canada. In October 1995, Libbey completed the acquisition of Syracuse China, resulting in the Company becoming a leading manufacturer of high-quality ceramic dinnerware to the U.S. foodservice industry. Most recently, in August 1997, Libbey completed the Vitro Transactions which are expected to enhance the Company's leadership position in glass tableware, offer sales growth opportunities with an assortment of complementary new products and expand the Company's international presence, particularly in Latin America. See "-- Recent Developments."

BUSINESS STRATEGY

The Company's business strategy is to: (i) capitalize on its leading position in glass tableware sales to the foodservice industry by selling an increasing number of foodservice supply-related products; (ii) expand its international presence; (iii) increase its presence in profitable segments of retail and industrial applications for

its products; and (iv) improve the cost efficiency of its manufacturing and distribution capabilities. The primary components of this strategy are as follows.

Expand Product Offering to the Foodservice Industry. The Company intends to accelerate its sales growth and improve its profits through the acquisition of complementary supply-related product lines and continued introduction of innovative products. Libbey's acquisitions of Syracuse China and World Tableware have significantly expanded the Company's product offering to the foodservice industry to include ceramic dinnerware and metal flatware and holloware. The Company intends to use its leading market position with its foodservice customers and distribution advantages to increase the sales and profit potential of these acquired businesses.

The Company regularly introduces new products to meet changing consumer preferences. For example, in glass tableware, the Company has responded to the growth in beer consumption, particularly micro-brewed beers, by introducing 25 new beer mugs and glasses over the last three years. Since its acquisition by Libbey in 1995, Syracuse China has introduced approximately 125 new ceramic dinnerware products to its foodservice customers such as colored dinnerware, large-size platters and unique styles of plates. These new products capitalize on and further contribute to the Company's position as a preferred supplier to the foodservice industry.

Expand International Presence. The Company seeks to expand its international presence through increased exports, equity investments, including majority ownership interests, in foreign glass tableware operations in growing markets and continued technical assistance to foreign glass tableware manufacturers. Libbey exports its glass tableware products through independent agents and distributors to over 100 countries throughout the world and currently has technical assistance agreements with thirteen different companies covering operations in eleven countries. As part of the Vitro Transactions, Vitrocrisa, the largest manufacturer of glass tableware in Mexico, is now the exclusive distributor of Libbey's glass tableware products in Latin America. It is contemplated that Vitrocrisa will become the exclusive distributor of the Company's ceramic dinnerware and metal flatware products in Latin America. See "-- Recent Developments."

Strengthen Presence in Retail and Industrial Applications. The Company intends to increase its retail and industrial sales through a comprehensive new product development program and expanded marketing and sales programs. The Company actively monitors culinary and lifestyle trends, continually adjusts its product offering to satisfy consumer preferences and maintains targeted advertising and promotional programs. Each year since 1993, the Company has developed and introduced over 50 new glass shapes and sizes, many of which are directed to retail and industrial applications. This new product development focus has contributed to the Company increasing its presence in the more attractive department and specialty housewares segments of retail. Once limited to only foodservice applications, the Company now sells Syracuse China ceramic dinnerware products to retail and industrial customers by utilizing Syracuse China's high quality reputation and unique products.

Focus on Re-engineering and Cost Saving Initiatives. The Company is pursuing cost reductions and increased production efficiencies of existing and acquired operations. In late 1994, Libbey began implementing a significant re-engineering program in its glass tableware operations designed to increase asset utilization, enhance production efficiencies and flexibility, streamline administrative functions and improve overall customer service. As a result of these initiatives, the Company believes it will achieve meaningful increases in its manufacturing efficiency and reductions in its cost structure over time. In addition, the Company believes opportunities exist to improve the cost structure of Syracuse China and World Tableware over time through improved utilization of operational synergies.

Pursue Strategic Acquisitions. The Company is committed to pursuing strategic acquisitions to increase its product offering of supply-related items for the foodservice industry, enter new markets and expand its international presence. The Company's acquisitions of Libbey Canada and Syracuse China and the Vitro Transactions have provided the Company opportunities to establish growing positions with domestic and international foodservice and retail users of glass tableware, ceramic dinnerware and metal flatware.

RECENT DEVELOPMENTS

On August 29, 1997, the Company completed the Vitro Transactions for a cash purchase price of approximately $100 million and the assumption of certain liabilities, financed through borrowings under the Bank Credit Agreement. The primary components of the Vitro Transactions included the Company becoming: (i) a 49% equity owner in Vitrocrisa; (ii) the exclusive distributor of Vitrocrisa's glass tableware products in the U.S. and Canada and Vitrocrisa becoming the exclusive distributor of Libbey glass tableware products in Latin America; (iii) the owner of substantially all of the assets and certain liabilities of the business formerly known as WorldCrisa, renamed World Tableware; and (iv) the owner of a 49% interest in the business of Crisa Industrial, L.L.C., which distributes industrial glassware in the U.S. and Canada for Vitrocrisa. As a result of the Vitro Transactions, the Company consolidates the financial results of World Tableware and includes in its financial results sales of Vitrocrisa's glass tableware in the U.S. and Canada pursuant to the distribution agreement described above. World Tableware and the glass tableware business of Vitrocrisa in the U.S. and Canada had combined revenues of $59.2 million in 1996. In addition, the Company includes in its financial results 49% of the net earnings of Vitrocrisa and Crisa Industrial, L.L.C.

Vitrocrisa is the market leader in glass tableware in Mexico, serving foodservice, retail, industrial and premium customers, with an estimated 72% share. Vitrocrisa is also a major producer of industrial glassware products, including coffee pots, blender jars and meter covers, for original equipment manufacturers. Over the last three years, Vitrocrisa has implemented a wide-ranging re-engineering program that has contributed to improved profitability and customer service. For the six month period ended June 30, 1997, Vitrocrisa's operating income grew 31.8% to Ps145.6 million in constant pesos (or approximately $18.2 million assuming an exchange rate of 8 pesos per dollar) as compared to the year-ago period and operating income as a percent of sales increased to 22.1% as compared to 16.9% in the year-ago period. The distribution agreement with Vitrocrisa provides the Company with an extensive and distinct product offering including glass bakeware, handmade glass tableware and popular, moderately priced glass tableware.

Libbey's joint venture partner in Vitrocrisa is Vitro, a multinational company based in Monterrey, Mexico with 1996 sales of Ps17.6 billion (or approximately $2.2 billion assuming an exchange rate of 8 pesos per dollar). Vitro manufactures glass and plastic containers, architectural and "float" glass for buildings and industrial applications, windshields for the automotive industry and a variety of other products.

Vitrocrisa operates two plants in Monterrey and employs approximately 4,200 workers and management staff. The plants produce machine-made and hand-made glassware that is exported to over 60 countries. In addition, Vitrocrisa distributes many Vitro-related consumer products in Mexico through its own distribution company, Proveedor del Hogar. Distribution of Vitrocrisa's products in the U.S. and Canada has historically been managed by Crisa Corporation, based in Dallas, Texas and owned by Vitro since 1984.

As the exclusive U.S. and Canadian distributor of glass tableware manufactured by Vitrocrisa, the Company expects to be able to accelerate the growth of Vitrocrisa products sold in the U.S. and Canada by leveraging its existing distribution channels, customer relationships and strong market position with an expanded product line. In addition, the Company expects to increase its sales by supplying Vitrocrisa with Libbey glass tableware, Syracuse China dinnerware and World Tableware tabletop products to be distributed in Latin America, thereby expanding the Company's international presence and creating a larger installed base of products in foreign markets.

World Tableware is a leading importer and marketer of metal flatware and holloware products to the U.S. foodservice industry. In addition, it provides a wide assortment of ceramic dinnerware. The World Tableware acquisition provides the Company with: (i) an increasing number of foodservice supply-related products that complement its existing product line; (ii) a position as a major supplier of metal flatware to foodservice customers; (iii) a broad selection of ceramic dinnerware at various selling prices to complement the Company's Syracuse China products; (iv) an expanded customer base; and (v) the opportunity to sell metal flatware and holloware and an expanded ceramic dinnerware offering to the Company's retail, industrial, premium and export customers. The Company expects to increase sales by leveraging its sales force to market Libbey, Syracuse China and World Tableware products to existing and new customers and improve the profitability of World Tableware by realizing certain operating synergies, including the elimination of redundant operating expenses.

World Tableware was founded in 1847 as the International Silver Company ("ISCO") in Hartford, Connecticut. In 1972, ISCO's Hotel and Restaurant Sales Division was incorporated as World Tableware and its sales and distribution were separated from ISCO. In early 1995, Vitro became the 100% owner of World Tableware and changed the name to WorldCrisa. In conjunction with the Vitro Transactions, Libbey has changed the name to World Tableware. World Tableware currently employs a staff of approximately 60 people involved in the procurement, marketing and sales of tabletop products for the foodservice industry.

PRODUCTS

Libbey's products consist of glass tableware, including glass beverageware, specialized glass bottles, ceramic dinnerware and metal flatware and holloware. The Company's glass beverageware includes tumblers, stemware and, to a lesser extent, mugs. The Company's other glass tableware products include plates, bowls, ashtrays, bud vases, salt and pepper shakers, canisters, candle holders and various other items.

The Company has over 2,000 glass tableware SKUs available for sale, representing over 900 basic product sizes or shapes, which are produced in different colors and packaged individually or in various multipack combinations and sets. Each year, the Company develops and introduces many new glass shapes and sizes, including over 50 per year since 1993, which the Company believes makes it one of the most innovative suppliers in the glass tableware industry. In addition, the Company's product portfolio each year includes hundreds of newly decorated designs made for specific customer needs and specifications. The Company defines the U.S. glass tableware market to include glass beverageware, ovenware, cookware, dinnerware, serveware, floral items, items used for specialized packaging, specialized bottles, handmade glassware and lead crystal valued at less than $5 per piece.

Vitrocrisa's product assortment includes, in addition to the product types produced by Libbey, glass bakeware and hand-made glass tableware, which are new product categories the Company will offer primarily to retail customers. In addition, Vitrocrisa products include glass coffee pots, blender jars, meter covers and other industrial glassware sold principally to original equipment manufacturers.

Through its Syracuse China and World Tableware subsidiaries, the Company sells a wide-range of ceramic dinnerware products. These include plates, bowls, platters, cups, saucers and other tabletop accessories.

Through its World Tableware subsidiary, the Company sells an extensive selection of metal flatware, include knives, forks, spoons and serving utensils. In addition, World Tableware sells metal holloware, which includes serving trays, chaffing dishes, pitchers and other metal tabletop accessories.

FOODSERVICE

Libbey has, according to management estimates, approximately 64% of the market for glass tableware products in the U.S. foodservice industry, which includes restaurant, bar and institutional customers. The Company's foodservice market share in Canada is estimated by management at 70%. Sales to foodservice customers represent approximately one-half of Libbey's sales. Approximately 90% of the Company's glass tableware sales to foodservice end-users are made through a network of approximately 500 independent foodservice distributors. The distributors, in turn, sell to a wide variety of foodservice establishments, including national and regional hotel chains, national restaurant chains, individually owned bars and restaurants and casinos. Some of the Company's foodservice sales are made directly to selected end-user segments, including airlines and breweries.

Syracuse China and World Tableware are recognized as long established suppliers of high quality ceramic dinnerware and flatware, respectively. They are both among the leading suppliers of their respective product categories to the foodservice industry.

Libbey's sales force and distributor network sell the Company's products to foodservice establishments utilizing the Company's comprehensive product catalogues. The Company annually prints and distributes approximately 400,000 copies of its catalogues. Libbey's sales force throughout the U.S. and Canada works closely with the distributors to promote the Company's products and to provide direct assistance to

foodservice establishments in determining their glass tableware and ceramic dinnerware needs. In addition, the Company advertises its products extensively in trade publications.

Foodservice customers require timely delivery of a broad range of items, and the Company believes that its leading position in the foodservice industry is the result, in part, of the breadth of its product offerings, its four strategically located (geographically) glass tableware manufacturing facilities and related distribution centers and its extensive sales and service network. In addition, the Company consistently adds to its product offerings to meet changing consumer preferences and help end-user foodservice establishments grow sales.

The Company has the largest manufacturing, distribution, sales force and service network among U.S. and Canadian glass tableware manufacturers. The Company's installed base of products at foodservice establishments provides the Company with a source of recurring sales. Once a restaurant, bar or other foodservice customer has invested in a selected glass tableware or ceramic dinnerware pattern, it is likely to continue to purchase that pattern in order to maintain style consistency and also to avoid the cost associated with changing patterns. Moreover, as glass tableware or ceramic dinnerware chips or breaks, the establishment typically orders replacement pieces of the same style, due to the relatively small expense of maintaining style integrity. An example of the Company's presence in this market is the continued use of its Embassy line of glassware, which was originally introduced in 1967 and which continues to be purchased by most of the Company's approximately 500 independent foodservice distributors.

Each of the Company's five largest foodservice distributor accounts in the U.S. has been a Libbey account for at least five years.

The Company's position in the foodservice industry has been enhanced through the acquisition of World Tableware. The World Tableware acquisition provides the Company with: (i) an increasing number of foodservice supply-related products that complement its existing product line; (ii) a position as a major supplier of metal flatware and holloware to foodservice customers; (iii) a broad selection of ceramic dinnerware at various selling prices to complement the Company's Syracuse China products; (iv) an expanded customer base; and (v) the opportunity to sell flatware, holloware and an expanded dinnerware offering to the Company's retail, industrial, premium and export customers. The Company expects to increase sales by leveraging its sales force to market Libbey, Syracuse China and World Tableware products to existing and new customers and improve the profitability of World Tableware by realizing certain operating synergies, including the elimination of redundant operating expenses.

RETAIL

Libbey is the leading supplier of glass beverageware sold to retailers in the U.S. Using the broader category of glass tableware, Libbey ranks third. The Company began producing and selling a limited assortment of glass serveware in 1994. As of December 31, 1996, Libbey did not offer bakeware or hand-made glass tableware products to the retail industry; however, Vitrocrisa does offer these products to the retail industry.

While in the past the Company has sold its beverageware and other glass tabletop accessories principally to mass merchants and discount stores, in recent years the Company has been able to increase its total sales by increasing its sales to traditional department stores and specialty housewares stores. With this expanded retail representation, the Company is better positioned to successfully introduce profitable new products. In addition, Libbey operates factory outlets through its wholly-owned subsidiary, The Drummond Glass Company.

Retail store buyers tend to make large purchase decisions with longer lead time than do the Company's foodservice customers. Such decisions are made on the basis of a variety of product characteristics, including product quality, design features and price. Thus, in initially competing for a new retail program, the Company generally competes against a larger group of competitors, including foreign manufacturers, than in the foodservice market.

The Company believes that its competitive position in the retail industry is enhanced by its ability to respond quickly to new orders and its ability to assist retail customers during the life of the program through

inventory management and control and on-line ordering to satisfy their delivery requirements. In this regard, the Company has effectively utilized the retail industry's equivalent of just-in-time product delivery, through an interactive electronic data interchange ("EDI") program it has implemented with many retail customers. EDI, by using universal product codes ("UPC") and computers, allows the Company to track and respond to certain customers' inventory needs on a continuous basis.

The Company believes that its success in retail is also the result of perceived value of its products, Libbey brand name recognition, a wide selection of colored glassware, innovative product design, availability of open stock items, made-to-order design capabilities and custom packaging. The Company believes that, with fourteen colors, it offers among the widest selection of colored glass tableware in the world. This assortment of colored glass tableware has been a contributing factor to the growth in sales with department stores and specialty housewares retailers. The Company's sales to retail customers, including department stores and specialty housewares stores, has also improved recently due to the introduction of new Syracuse China ceramic dinnerware products.

Libbey's extensive product line also enables it to target the needs of different retail stores based on price, product design and packaging, focusing on individual customer characteristics. For example, products bearing the Libbey brand name are sold throughout the retail industry, while the Company's "FunDamentals" collection is targeted toward traditional department stores and specialty housewares stores that utilize "private label" packaging. Similarly, some of the Company's retail products are packaged in four-piece cartons and are aimed at meeting a limited replacement or purchase need, while others are packaged in multi-piece sets which appeal to first-time purchasers, gift shoppers and customers updating their entire collection of glass tableware.

INDUSTRIAL

Libbey is one of the leading suppliers of industrial market glassware in the U.S., according to management estimates. Industrial customers use glassware for candle and liquor gift packaging, floral purposes and lighting applications. The craft industries and gourmet food packing companies are also industrial consumers of glassware. The Company believes that its success with industrial customers is based upon its extensive manufacturing and distribution network, which enables it to provide superior service, and its broad product offering, which allows Libbey to meet its customers' desire for differentiated glassware products. The production capabilities and broad product portfolio of Vitrocrisa will enable the Company to expand its product offering for its industrial customers.

PREMIUM

Libbey is one of the leading suppliers of premium market glassware in the U.S., according to management estimates. Premium users include major gasoline retailers and fast-food restaurant chains which use glassware as incentives or premiums. The Company believes that its success with premium customers is dependent upon custom design, varied production capabilities, and the ability to produce large quantities of product in a short period of time. Because of its manufacturing and distribution strengths in these areas, Libbey is able to create and produce specific design patterns in large quantities to meet the customer's unique needs. In recent years, many of the large purchases by premium users of the Company's products have been for the incentive promotions run by companies such as Coca-Cola, Arby's, Long John Silver's Seafood Shoppes and Shell Oil.

The Company's premium market also includes the sale of glass tableware to supermarket chains for continuity programs. In 1996, the Company sold glass tableware through continuity programs to over 4,800 supermarkets in the U.S.

Since the majority of premium sales are tied to promotions and therefore have a limited life, the demand for these products varies from year to year, and the customer base is dynamic and somewhat unpredictable. Demand historically has tended to be countercyclical. The Company attempts to use the long production runs usually associated with such orders to balance seasonal swings and available capacity with Libbey's core foodservice, retail and industrial requirements.

INTERNATIONAL EXPANSION AND EXPORT SALES

In June 1993, the Company acquired the operating assets of Libbey-St. Clair, the only manufacturer of glass tableware in Canada. Libbey-St. Clair, now Libbey Canada, supplies foodservice, retail, industrial and premium users in Canada. In addition, Libbey Canada manufactures specialized glass bottles and containers for food and beverage packaging and as decorative bottles for retail sale, and fuse plugs. The Company also completed the Vitro Transactions on August 29, 1997. See "-- Recent Developments." The Company is considering further international expansion through the establishment of additional foreign-based operations.

Libbey exports its products through independent agents and distributors to over 100 countries throughout the world, competing in the glass tableware markets of Latin America, Asia and Europe. Through its export operation, the Company sells Libbey glassware to foodservice, retail, industrial and premium customers internationally.

Export sales represent approximately 6.8% of 1996 sales, a relatively small part of the Company's business. Since 1988, however, export sales have increased at a 16.2% compound annual growth rate. The Company believes that export sales represent a significant growth opportunity for the future.

The Company currently has technical assistance agreements with companies covering operations in eleven countries. These agreements, which cover areas ranging from manufacturing and engineering assistance to support in functions such as marketing, sales and administration, allow the Company to participate in the worldwide growth of the glass tableware industry and to keep abreast of potential sales and marketing opportunities in those countries. During 1996, the Company's technical assistance agreements produced royalties of $2.7 million. The Company also sells machinery, primarily glass-forming machinery, to certain parties with which it has technical assistance agreements.

SALES AND MARKETING

The Company has its own sales representatives located strategically throughout the U.S. and Canada who call on customers and distributors. Approximately 90% of the Company's glass tableware sales to foodservice end-users are made through approximately 500 independent distributors, who serve a vital function in the distribution of the Company's products and with whom the Company works closely in connection with marketing and selling efforts. Most of the Company's retail, industrial and premium sales are made directly by the Company's sales force.

Libbey also has a marketing staff located at its corporate headquarters in Toledo, Ohio engaged in developing strategies relating to product development, pricing, distribution, advertising and sales promotion.

GLASSWARE MANUFACTURING AND DISTRIBUTION

Libbey owns and operates three glass tableware manufacturing plants in the U.S. located in Toledo, Ohio; Shreveport, Louisiana; and City of Industry, California. The Company also operates a glass tableware manufacturing plant in Wallaceburg, Ontario, Canada. The Company owns and operates a ceramic dinnerware plant in Syracuse, New York. The Company operates distribution centers located at or near each of its manufacturing facilities. In addition, the Company operates distribution centers for its Vitrocrisa-supplied products in Laredo, Texas and World Tableware products near Chicago, Illinois.

The glass tableware manufacturing facilities and distribution centers are strategically located (geographically) to enable the Company to supply significant quantities of its product to virtually all of its customers in a short period of time. Libbey is the only glass tableware producer operating more than two manufacturing facilities in the U.S. and Canada. The Company maintains a broad range of glass tableware inventory at all four glass tableware distribution centers.

The manufacture of the Company's glass tableware products involves the use of automated processes and technologies. Much of the Company's glass tableware production machinery was designed by the Company and has evolved and been continuously refined to incorporate technology advancements. Beginning in 1989, the Company began converting its glass-forming machines to an internally designed and proprietary computer-

controlled manufacturing technology which improves the efficiency of the manufacturing process and permits faster manufacturing line changes. This conversion process will continue based on cost effectiveness and capacity utilization requirements. In addition, the Company has installed robotics technology in certain of its labor-intensive manufacturing processes. During the seven year period 1990 through 1996, the Company has spent in excess of $20 million on these and other cost reducing technologies, and the Company's manufacturing performance has improved significantly. The Company believes that its production machinery and equipment are adequate for its needs in the foreseeable future.

The Company's glass tableware products are generally produced using one of two manufacturing methods or, in the case of certain stemware, a combination of such methods. Most of the Company's tumblers and stemware and certain other glass tableware products are produced by forming molten glass in molds with the use of compressed air and are known as "blown" glass products. The Company's other glass tableware products and the stems of certain of its stemware are "pressware" products which are produced by pressing molten glass into the desired product shape.

The Company employs a team of engineers whose responsibilities include continuing efforts to improve and upgrade the Company's manufacturing facilities, equipment and processes. In addition, they provide engineering required to manufacture new products and to implement the large number of innovative changes continuously being made to the Company's product designs, sizes and shapes.

All of the raw materials used by the Company, principally sand, lime, soda ash and clay, have historically been available in adequate supply from multiple sources. However, for certain raw materials, there may be temporary shortages due to weather or other factors, including disruptions in supply caused by raw material transportation or production delays. Such shortages have not previously had and are not expected to have a material adverse effect on the Company's operations in the future.

CUSTOMERS

The customers for the Company's products include approximately 500 foodservice distributors and direct purchasers in the restaurant, bar and institutional foodservice market. In addition, the Company sells to mass merchants, department stores, national retail chains, specialty housewares stores, supermarkets and industrial companies and others who use the Company's products for promotional and other private uses. No single customer or group of customers accounts for 10% or more of the Company's sales, although the loss of any of the Company's major customers could have a material adverse effect on the Company. The Company's premium customers tend to be more unpredictable from year to year and the Company is less dependent on such business than it is on foodservice, retail and industrial sales. But in some years premium customers have been among the Company's largest ten customers.

COMPETITORS

The Company's business is highly competitive, with the principal competitive factors being price, brand name, product quality, delivery time and customer service. Principal competitors in the domestic glass tableware market are Anchor Hocking (a unit of Newell Co.), a supplier of glass beverageware and one of the leading suppliers of glass bakeware to retail markets in the U.S.; Durand International, a private French company, which the Company believes is the second leading supplier of glass beverageware in the U.S.; and Indiana Glass Company (a unit of Lancaster Colony Corporation), which participates in various aspects of the U.S. market. The principal competitors in the U.S. ceramic dinnerware market are Homer Laughlin (a private U.S. company) and Buffalo China (a unit of Oneida, Ltd.). Syracuse China competes almost exclusively in the foodservice market but has recently increased its focus on the retail market. Some of the Company's competitors have substantially greater financial and other resources than the Company.

In recent years, Libbey has experienced increasing competition from foreign manufacturers, including Durand International (France) and Kedaung (Indonesia), principally in the retail industry. The Company's joint-venture investment in, and distribution agreement with, Vitrocrisa are expected to enhance the Company's ability to compete against foreign competitors. See "-- Recent Developments."

PATENTS, TRADEMARKS AND LICENSES

Based upon market research and market surveys, the Company believes its Libbey trade name enjoys a high degree of consumer recognition and is a valuable asset. The Company believes that the Libbey, Syracuse China and World Tableware trade names are material to its business.

The Company has rights under a number of patents which relate to a variety of products and processes. The Company does not consider that any patent or group of patents relating to a particular product or process is of material importance to its business as a whole.

SEASONALITY

Due primarily to the impact of consumer buying patterns, particularly during the year-end holiday season, the Company's sales tend to be strongest in the fourth quarter and weakest in the first quarter of each year. As a consequence, typically 40% to 45% of the Company's sales occur in the first half of each year and 55% to 60% occur in the second half of the year.

ENVIRONMENTAL MATTERS

The Company's operations, in common with those of the industry generally, are subject to numerous existing and proposed laws and governmental regulations designed to protect the environment, particularly regarding plant wastes and emissions and solid waste disposal, and the Company has shipped, and continues to ship, waste materials for off-site disposal. Although the Company is not named as a potentially responsible party in any superfund matters pending prior to June 24, 1993, the date of the Company's initial public offering and separation from Owens-Illinois, Owens-Illinois has been named as a potentially responsible party or other participant in connection with certain waste disposal sites to which the Company may also have shipped wastes and bear some responsibility, and Owens-Illinois has agreed to defend the Company in connection with any such matters identified and pending as of June 24, 1993 and to indemnify it against any resulting costs and liabilities from such matters in excess of $3 million. The Company believes that if it is necessary to draw upon this indemnification, collection is probable. Since the date of the Company's initial public offering, the Company has been named a potentially responsible party at two sites in Toledo, Ohio, along with 46 other potentially responsible parties, including Owens-Illinois, and one additional site in Michigan, all of which the Company has agreed to settle for immaterial amounts. In addition, as further described below, the Company's Syracuse China subsidiary has been named a potentially responsible party with respect to certain property adjoining its plant.

Through its Syracuse China subsidiary, the Company acquired on October 10, 1995 from The Pfaltzgraff Co. and certain of its subsidiaries the assets operated as Syracuse China. The Pfaltzgraff Co. entered into an order of consent effective November 1, 1994 with the New York State Department of Environmental Conservation (NYSDEC) which requires Pfaltzgraff to prepare a Remedial Investigation and Feasibility Study (RI/FS) to develop a remedial action plan for a site in Syracuse, New York (which includes among other items a landfill and wastewater and sludge ponds and adjacent wetlands located on the property purchased by Syracuse China Company) and to remediate the site. As part of the Asset Purchase Agreement, the Syracuse China Company agreed to share a part of the remediation and related expense up to a maximum of fifty percent of such costs with a maximum limit for Syracuse China Company of $1,350,000. Notwithstanding the foregoing, Syracuse China Company is not a party to the decree. The RI/FS is complete and has been submitted to the NYSDEC for public comments and selection of a plan of remediation. In addition, Syracuse China Company has been named a potentially responsible party with respect to certain property adjoining its plant which has been designated a sub-site of a superfund site. The Company believes that any contamination of such site was caused by and will be remediated by other parties at no cost to Syracuse China. In any event, any expense with respect to such site for which Syracuse China may be deemed responsible would likely be shared with Pfaltzgraff pursuant to the Asset Purchase Agreement.

The Company regularly reviews the facts and circumstances of the various environmental matters affecting the Company, including those which are covered by indemnification. Although not free of uncertainties, the Company believes that its share of the remediation costs at the various sites, based upon the

number of parties involved at the sites and the estimated cost of undisputed work necessary for remediation based upon known technology and the experience of others, will not be material to the Company. There can be no assurance, however, that the Company's future expenditures in such regard will not have a material adverse effect on the Company's financial position or results of operations.

In addition, occasionally the federal government and various state authorities have investigated possible health issues that may arise from the use of lead or other ingredients in enamels such as those used by the Company on the exterior surface of its decorated products. Capital expenditures for property, plant and equipment for environmental control activities were not material during 1996. The Company believes that it is in material compliance with all federal, state and local environmental laws, and the Company is not aware of any regulatory initiatives that would be expected to have a material effect on the Company's products or operations.

LEGAL PROCEEDINGS

The Company is involved in various legal proceedings arising in the ordinary course of its business. The Company is not engaged in any legal proceedings which would be deemed to be material to the Company.

NUMBER OF EMPLOYEES

The Company employed approximately 4,150 persons at December 31, 1996. A majority of the glass tableware employees are U.S.-based hourly workers covered by six collective bargaining agreements which were entered into in 1995 and expire at various times during the fourth quarter of 1998. Canada-based workers are covered by two collective bargaining agreements which expire July 1999. The Syracuse China hourly employees are covered by a collective bargaining agreement which expires in March 1999. The Company considers its employee relations to be good. The Company experienced a three week work stoppage at its Wallaceburg, Ontario facility in July-August 1996 the results of which did not have a material adverse effect on the Company.

MANAGEMENT

EXECUTIVE OFFICERS AND DIRECTORS

The executive officers and directors of the Company, their ages as of October 15, 1997 and their positions with the Company are as follows:

NAME	AGE	POSITION
John F. Meier	50	Chairman of the Board and Chief Executive Officer
Richard I. Reynolds	51	Executive Vice President, Chief Operating Officer and Director
L. Frederick Ashton	56	Vice President, General Sales Manager
Daniel P. Ibele	37	Vice President, Marketing and Specialty Operations
Timothy T. Paige	40	Vice President and Director of Human Resources
Arthur H. Smith	62	Vice President, General Counsel and Secretary
Kenneth G. Wilkes	40	Vice President, Chief Financial Officer and Treasurer
John A. Zarb	46	Vice President and Chief Information Officer
William A. Foley	50	Director
Peter C. McC. Howell	47	Director
Gary L. Moreau	43	Director
Terence P. Stewart	49	Director
Terry L. Wilkison	56	Director

Mr. Meier has served as Chairman of the Board and Chief Executive Officer of the Company since June 1993. Prior to June 1993, Mr. Meier was Executive Vice President and General Manager of the Company. Mr. Meier has been with the Company since September 1970. Mr. Meier also serves as a director of Cooper Tire & Rubber Co.

Mr. Reynolds has served as Executive Vice President and Chief Operating Officer of the Company since November 1995. From June 1993 to November 1995, Mr. Reynolds was Vice President and Chief Financial Officer of the Company. Prior to June 1993, Mr. Reynolds was Vice President, Director of Finance and Administration of the Company. Mr. Reynolds has been with the Company since February 1970.

Mr. Ashton has served as Vice President, General Sales Manager of the Company since November 1990. Mr. Ashton has been with the Company since March 1970.

Mr. Ibele has been Vice President, Corporate Marketing and Specialty Operations since September 1997. Previously, Mr. Ibele was Vice President and Director of Marketing at Libbey since 1995. Since joining Libbey in 1983, Mr. Ibele has held various marketing and sales positions.

Mr. Paige has been Vice President and Director of Human Resources of the Company since January 1997. From May 1995 to January 1997, Mr. Paige was Director of Human Resources of the Company. Prior to joining the Company, Mr. Paige was employed by Frito-Lay Inc. in Human Resources management positions.

Mr. Smith has served as Vice President and General Counsel of the Company since June 1993 and as Secretary of the Company since March 1987. Mr. Smith has been involved in the Company's legal affairs since 1975.

Mr. Wilkes has been Vice President, Chief Financial Officer and Treasurer of the Company since November 1995. From August 1993 to November 1995, Mr. Wilkes was Vice President and Treasurer of the Company. Prior to joining the Company, Mr. Wilkes was a Senior Corporate Banker - Vice President of The First National Bank of Chicago.

Mr. Zarb has been Vice President and Chief Information Officer of the Company since April 1996. Prior to joining the Company, Mr. Zarb was employed by Allied Signal Inc. in information technology senior management positions in Europe and the U.S.

Mr. Foley has been a director of the Company since September 1994. Mr. Foley has been Chairman of the Board, President and Chief Executive Officer of Lesco, Inc. since October 1994. From July 1993 to October 1994, he was President and Chief Executive Officer of Lesco, Inc. Prior to July 1993, he was President and Chief Executive Officer of Imperial Wall Coverings. Mr. Foley is also a director of Alltrista Corporation.

Mr. Howell has been a director of the Company since October 1993. Mr. Howell was Chairman and Chief Executive Officer of Signature Brands, Inc. (formerly known as Mr. Coffee, inc.) from August 1994 until August 1997. Previously, Mr. Howell was President, Chief Executive Officer and a director of Mr. Coffee, inc.

Mr. Moreau has been a director of the Company since September 1996. Mr. Moreau is President and Chief Executive Officer of Lionel LLC, a position he has held since January 1996. Previously, Mr. Moreau served as President and Chief Operating Officer of Oneida Ltd. Mr. Moreau is also a director of GSW, Inc.

Mr. Stewart has been a director of the Company since October 1997. Mr. Stewart is the Managing Partner of Stewart and Stewart, a Washington D.C.-based law firm specializing in trade and international law issues, where he has worked since 1976.

Mr. Wilkison has been a director of the Company since 1987. Mr. Wilkison has been Executive Vice President of Owens-Illinois, Inc. with responsibilities for its West Coast operations since November 1996. From May 1993 to November 1996, he was Executive Vice President, Domestic Packaging Operations of Owens-Illinois. He was Vice President and General Manager of Plastics, Closures and Prescription Products of Owens-Illinois from 1992 to May 1993.

OWNERSHIP OF COMMON STOCK

The following table sets forth information as of June 30, 1997 with respect to any person known to the Company to be the beneficial owner of more than five percent of its Common Stock based upon Schedule 13F filings reviewed by the Company and as of October 15, 1997 with respect to (i) each of the Company's directors, (ii) all directors and executive officers of the Company as a group and (iii) shares held by the trustee of the Company's Stock Purchase and Retirement Savings Plan, Stock Purchase and Supplemental Retirement Plan and Long-Term Savings Plan and Trust. An asterisk indicates ownership of less than one percent of the outstanding stock. The information in the table does not give effect to the Offering.

NAME AND ADDRESS OF BENEFICIAL OWNER	NUMBER OF SHARES BENEFICIALLY OWNED (1) & (2)	PERCENT OF CLASS
The Capital Group Companies, Inc.(3) 333 South Hope Street Los Angeles, CA 90071	1,341,000	8.84
FMR Corp.(4) 82 Devonshire Street Boston, MA 02109	767,300	5.06
Key Trust Company of Ohio, N.A.(5) 4900 Tiedeman Road Brooklyn, Ohio 44144	942,199	6.19
Liberty Investment Management, Inc.(6) 2502 Rocky Point Drive, Suite 500 Tampa, FL 33607	1,204,900	7.94
Neuberger & Berman, LLC(7) 605 Third Avenue New York, NY 10158	1,172,900	7.73
William A. Foley	500	*
Peter C. McC. Howell(8)	1,500	*
John F. Meier(9)	192,487	1.25
Gary L. Moreau	500	*
Richard I. Reynolds	165,922	1.08
Terry L. Wilkison	2,000	*
Directors and executive officers as a group (12 persons)	716,051	4.53

(1) For purposes of this table, a person or group of persons is deemed to have beneficial ownership of any shares as of a given date which such person has the right to acquire within 60 days after such date. For purposes of computing the percentage of outstanding shares held by each person or group of persons named above on a given date, any security which such person has the right to acquire within 60 days of such date is deemed outstanding, but is not deemed to be outstanding for the purpose of computing the percentage ownership of any other person. The information includes all currently exercisable options and options exercisable within sixty days after October 15, 1997 granted to executive officers. The number of shares beneficially owned includes shares subject to options as follows: Mr. Meier -- 160,653; Mr. Reynolds -- 133,938; and all directors and executive officers as a group 574,255.

(2) The table includes the number of equivalent shares of Common Stock that all executive officers as a group held in the Libbey Stock Purchase and Retirement Savings Plan as of October 15, 1997.

(3) The Schedule 13F filing reviewed by the Company of The Capital Group Companies, Inc. indicates that it and its subsidiaries are the beneficial owners of 1,341,000 shares of Common Stock with dispositive power with respect to 1,341,000 shares of Common Stock which were owned by various institutional investors and sole voting power with respect to 1,193,000 shares of Common Stock.

(4) The Schedule 13F filing reviewed by the Company of FMR Corp. indicates that it and certain affiliated funds are the beneficial owners of 767,300 shares of Common Stock with dispositive power with respect to the 767,300 shares of Common Stock. The power to vote the shares owned directly by the funds resides with the funds' respective Boards of Trustees.

(5) Key Trust Company of Ohio, N.A., as trustee of the Company's Stock Purchase and Retirement Savings Plan is the beneficial owner of 815,598 shares of Common Stock; as trustee of the Company's Stock Purchase and Supplemental Retirement Plan is the beneficial owner of 126,493 shares of Common Stock; and as trustee of the Company's Long-Term Savings Plan and Trust is the beneficial owner of 108 shares of Common Stock. These plans are defined contribution plans for the Company's employees, each of whom has the right to instruct the trustee as to the manner in which the equivalent shares of the Company in his or her account in the Plans are to be voted.

(6) The Schedule 13F filing reviewed by the Company of Liberty Investment Management, Inc. indicates that it is the beneficial owner of 1,204,900 shares of Common Stock with sole dispositive power with respect to 1,204,900 shares of Common Stock and sole voting power with respect to 413,500 shares of Common Stock.

(7) The Schedule 13F filing reviewed by the Company of Neuberger & Berman, LLC indicates that it, Neuberger & Berman, LLC -- Institutional Asset Management Division and Neuberger & Berman Management Incorporated, collectively, are the beneficial owner of 1,172,900 shares of Common Stock. Neuberger & Berman, LLC has sole dispositive power with respect to 486,300 shares of Common Stock. Neuberger & Berman, LLC -- Institutional Asset Management Division has sole dispositive power and sole voting power with respect to 552,500 shares of Common Stock. Neuberger & Berman Management Incorporated has sole dispositive power with respect to 134,100 shares of Common Stock.

(8) Includes 750 shares of Common Stock held by family members of Mr. Howell. Mr. Howell disclaims any beneficial interest in such shares.

(9) Includes 8,406 shares of Common Stock held by family members of Mr. Meier. Mr. Meier disclaims any beneficial interest in such shares.

UNDERWRITING

Subject to the terms and conditions of the Underwriting Agreement (the "Underwriting Agreement"), the Underwriters named below, for whom Bear, Stearns & Co. Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated and Salomon Brothers Inc are acting as representatives (the "Representatives"), have severally agreed, subject to the terms and conditions set forth in the Underwriting Agreement, to purchase from the Company the number of shares of Common Stock set forth opposite their respective names below:

UNDERWRITER	NUMBER OF SHARES
Bear, Stearns & Co. Inc.	586,700
Merrill Lynch, Pierce, Fenner & Smith Incorporated	586,650
Salomon Brothers Inc	586,650
BT Alex. Brown Incorporated	30,000
Dresdner Kleinwort Benson North America LLC	30,000
A.G. Edwards & Sons, Inc	30,000
J.P. Morgan Securities Inc	30,000
Morgan Stanley & Co. Incorporated	30,000
NationsBanc Montgomery Securities, Inc	30,000
Societe Generale Securities Corporation	30,000
Blackford Securities Corp	30,000
Total	2,000,000

Subject to the terms and conditions of the Underwriting Agreement, the Underwriters have agreed to purchase all of the shares of Common Stock being sold pursuant to the Underwriting Agreement if any are purchased (other than shares of Common Stock covered by the over-allotment option described below).

The Representatives have advised the Company that the Underwriters propose to offer the Common Stock to the public initially at the public offering price set forth on the cover page of this Prospectus Supplement and to certain dealers at such price less a concession of not more than $1.02 per share, of which $0.10 may be reallowed to other dealers. After the initial offering, the public offering price and other selling terms may be changed by the Representatives. The Common Stock is offered subject to receipt and acceptance by the Underwriters and to certain other conditions, including the right to reject orders in whole or in part.

The Company has granted the Underwriters an option, exercisable during the 30-day period after the date of this Prospectus Supplement, to purchase up to 300,000 additional shares of Common Stock at the initial public offering price, less the underwriting discount, set forth on the cover page of this Prospectus Supplement, solely to cover overallotments, if any. To the extent that the Underwriters exercise such option, each of the Underwriters will have a firm commitment, subject to certain conditions, to purchase such additional shares in approximately the same proportion as set forth in the above table.

The Underwriting Agreement provides that the Company will indemnify the Underwriters against certain civil liabilities, including liabilities under the Securities Act, or will contribute to payments the Underwriters may be required to make in respect thereof.

The Company and the directors and executive officers of the Company have agreed that, subject to certain exceptions set forth in the Underwriting Agreement, they will not, directly or indirectly, issue, sell, offer or agree to sell, contract to sell, grant an option to purchase, make a short sale or otherwise dispose of or engage in any hedging or other transaction that is designed or reasonably expected to lead to a disposition of (or announce any offer, sale, grant of an option to purchase, or other disposition or transaction relating to) any shares of Common Stock, any option or warrant to purchase shares of Common Stock, or any securities convertible into, or exercisable or exchangeable for, shares of Common Stock, for a period of 90 days after the date of this Prospectus Supplement without the prior written consent of the Representatives.

In order to facilitate the Offering, certain persons participating in the Offering may engage in transactions that stabilize, maintain or otherwise affect the price of the Common Stock during and after the Offering. Specifically, the Underwriters may over-allot or otherwise create a short position in the Common Stock for their own account by selling more shares of Common Stock than have been sold to them by the Company. The Underwriters may elect to cover any such short position by purchasing shares of Common Stock in the open market or by exercising the over-allotment option granted to the Underwriters. In addition, such persons may stabilize or maintain the price of the Common Stock by bidding for or purchasing shares of Common Stock in the open market and may impose penalty bids, under which selling concessions allowed to syndicate members or other broker-dealers participating in the Offering are reclaimed if shares of Common Stock previously distributed in the Offering are repurchased in connection with stabilization transactions or otherwise. The effect of these transactions may be to stabilize or maintain the market price of the Common Stock at a level above that which might otherwise prevail in the open market. The imposition of a penalty bid may also affect the price of the Common Stock to the extent that it discourages resales thereof. No representation is made as to the magnitude or effect of any such stabilization or other transactions. Such transactions may be effected on the New York Stock Exchange or otherwise and, if commenced, may be discontinued at any time.

This Offering is being made pursuant to the provisions of Section 2710(c)(8) of the Conduct Rules of the National Association of Securities Dealers, Inc.

In the ordinary course of their respective businesses, certain of the Underwriters or their affiliates have engaged, and in the future may engage, in investment banking and commercial banking transactions with the Company. Bear, Stearns & Co. Inc. served as financial advisor and agent for the Company in connection with the Vitro Transactions for which it received a customary fee.

LEGAL MATTERS

Certain legal matters with respect to the Common Stock will be passed upon for the Company by Arthur H. Smith, General Counsel and Secretary of the Company (who owns 31,806 shares of Common Stock and 126,424 shares of Common Stock subject to options) and by Latham & Watkins, Chicago, Illinois, and for the Underwriters by Simpson Thacher & Bartlett (a partnership which includes professional corporations), New York, New York.

EXPERTS

The financial statements of Vitrocrisa, S.A. de C.V., and the combined financial statements of WorldCrisa Corporation and Crisa Corporation appearing in the Company's Current Report on Form 8-K/A dated October 17, 1997, have been audited by Deloitte & Touche (Mexico) and Deloitte & Touche LLP, respectively, independent auditors, as set forth in their reports included therein (the reports on the Combined Financial Statements of WorldCrisa and Crisa Corporation express an unqualified opinion and include an explanatory paragraph referring to a change in the method of capitalizing costs included in inventory) and incorporated herein by reference. Such financial statements are incorporated herein by reference in reliance upon such reports given upon the authority of such firms as experts in accounting and auditing.

LIBBEY INC.

DEBT SECURITIES
COMMON STOCK

Libbey Inc. (the "Company"), directly or through agents, dealers, or underwriters designated from time to time, may offer, issue and sell, in one or more series or issuances, up to $100,000,000 in the aggregate of (a) secured or unsecured debt securities (the "Debt Securities") of the Company, in one or more series, which may be either senior debt securities (the "Senior Debt Securities"), senior subordinated debt securities (the "Senior Subordinated Debt Securities") or subordinated debt securities (the "Subordinated Debt Securities") and (b) shares of common stock of the Company, par value $.01 per share (the "Common Stock"), or any combination of the foregoing, either individually or as units consisting of one or more of the foregoing, each on terms to be determined at the time of sale. The Debt Securities may be issued as exchangeable and/or convertible Debt Securities exchangeable for or convertible into shares of Common Stock. The Debt Securities and the Common Stock are collectively referred to herein as the "Securities." When a particular series of Securities is offered, a supplement to this Prospectus (each a "Prospectus Supplement") will be delivered with this Prospectus. The Prospectus Supplement will set forth the terms of the offering and sale of the offered Securities.

Except as described more fully herein or as set forth in the Prospectus Supplement relating to any offered Debt Securities, the Indenture will not provide holders of Debt Securities protection in the event of a highly-leveraged transaction, reorganization, restructuring, merger or similar transaction involving the Company which could adversely affect holders of Debt Securities. See "Description of Debt Securities -- Consolidation, Merger and Sale of Assets."

The Company's Common Stock is traded on The New York Stock Exchange under the symbol LBY. Any Common Stock sold pursuant to a Prospectus Supplement will be listed on The New York Stock Exchange. On June 5, 1997, the last reported sale price of the Common Stock on The New York Stock Exchange was $33.50 per share. The Company has not yet determined whether any of the Debt Securities offered hereby will be listed on any exchange or over-the-counter market. If the Company decides to seek listing of any such Securities, the Prospectus Supplement relating thereto will disclose such exchange or market.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Securities will be sold directly, through agents, underwriters or dealers as designated from time to time, or through a combination of such methods. The Company reserves the sole right to accept, and together with its agents, from time to time, to reject in whole or in part any proposed purchase of Securities to be made directly or through agents. If agents of the Company or any dealers or underwriters are involved in the sale of the Securities in respect of which this Prospectus is being delivered, the names of such agents, dealers or underwriters and any applicable commissions or discounts will be set forth in or may be calculated from the Prospectus Supplement with respect to such Securities. See "Plan of Distribution" for possible indemnification arrangements with agents, dealers and underwriters.

This Prospectus may not be used to consummate sales of Securities unless accompanied by the applicable Prospectus Supplement.

The date of this Prospectus is June 19, 1997.

AVAILABLE INFORMATION

The Company has filed with the Securities and Exchange Commission (the "Commission") a Registration Statement on Form S-3 (together with all amendments and exhibits thereto, the "Registration Statement") under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the Securities offered hereby. This Prospectus does not contain all of the information set forth in the Registration Statement, part of which has been omitted in accordance with the rules and regulations of the Commission. For further information about the Company and the Securities offered hereby, reference is made to the Registration Statement, including the exhibits filed as a part thereof and otherwise incorporated therein. Statements made in this Prospectus as to the contents of any agreement or other document referred to herein are qualified by reference to the copy of such agreement or other document filed as an Exhibit to the Registration Statement or such other document, each such statement being qualified in its entirety by such reference.

The Company is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and, in accordance therewith, files periodic reports, proxy statements and other information with the Commission. The Registration Statement, including the exhibits thereto, as well as such reports, proxy statements and other information filed by the Company with the Commission, can be inspected, without charge, and copied at the public reference facilities maintained by the Commission at 450 Fifth Street, N.W., Room 1024, Washington D.C., 20549; 7 World Trade Center, New York, New York 10048 and 500 West Madison Street, Suite 1400, Chicago, Illinois 60661. The Commission also maintains a site on the World Wide Web at http://www.sec.gov., that contains reports, proxy and other information regarding registrants that file electronically with the Commission and certain of the Company's filings are available at such web site. Copies of such materials can be obtained from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549 at prescribed rates. Reports and other information concerning the Company can also be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

INFORMATION INCORPORATED BY REFERENCE

The following documents filed with the Commission pursuant to the Exchange Act are incorporated by reference in this Prospectus:

(1) the Company's Annual Report on Form 10-K for the year ended December 31, 1996;

(2) the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1997;

(3) the description of the Common Stock contained in the Company's Registration Statement on Form 8-A filed on June 16, 1993;

(4) the description of the Preferred Stock Purchase Rights contained in the Company's Registration Statement on Form 8-A filed on January 20, 1995; and

(5) all other documents subsequently filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this Prospectus and before the termination of the offering, which shall be deemed to be a part hereof from the date of filing of such documents.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is incorporated or deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

This Prospectus may not be used to consummate sales of offered securities unless accompanied by a Prospectus Supplement. The delivery of this Prospectus together with a Prospectus Supplement relating to particular offered Securities in any jurisdiction shall not constitute an offer in the jurisdiction of any other securities covered by this Prospectus.

The Company will provide without charge to each person, including any beneficial owner, to whom this Prospectus is delivered, upon request, a copy of any documents incorporated into this Prospectus by reference (other than exhibits incorporated by reference into such document unless such exhibits are specifically incorporated by reference therein). Requests for documents should be submitted to the Corporate Secretary, Libbey Inc., 300 Madison Avenue, Toledo, Ohio 43604, telephone (419) 325-2100. The information relating to the Company contained in this Prospectus does not purport to be comprehensive and should be read together with the information contained in the documents incorporated or deemed to be incorporated by reference herein.

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus, including any documents that are incorporated by reference as set forth in "Information Incorporated by Reference," contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Such statements are indicated by words or phrases such as "anticipate," "estimate," "projects," "management believes," "the Company believes" and similar words or phrases. Such statements are subject to certain risks, uncertainties or assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. Risks relating to the Company's operations are more fully set forth in Exhibit 99 to the Company's Annual Report on Form 10-K for the year ended December 31, 1996, which is incorporated by reference herein.

THE COMPANY

Libbey is the leading producer of glass tableware in North America, based on sales and unit volume. The Company designs, manufactures and markets, primarily under the well-recognized LIBBEY(R) brand name, an extensive line of high quality, machine-made glass beverageware and other glass tableware including plates, bowls and ashtrays, which it sells to the foodservice industry, retail stores, industrial and premium users. Known in the marketplace as America's Glassmaker(TM) the Company has one of the most extensive product portfolios in the domestic glass tableware industry with over 2,000 SKUs. In addition, through its October 1995 acquisition of Syracuse China, the Company is also a leading provider of ceramic dinnerware to the foodservice industry in the United States.

The principal office of the Company is located at 300 Madison Avenue, Toledo, Ohio 43604, telephone: (419) 325-2100.

RECENT DEVELOPMENTS

On March 10, 1997, the Company entered into a letter of intent with Vitro S.A., a leading glass manufacturer in Mexico, for an agreement whereby the Company will become a joint venture partner in Vitro S.A.'s glassware business and acquire its WorldCrisa subsidiary in the United States (the "Proposed Transaction"). The Proposed Transaction will have a cash purchase price of approximately $100 million, payable by the Company, and includes (i) the Company becoming a 49% equity holder in Vitrocrisa, Vitro S.A.'s currently wholly-owned glass tableware and industrial glassware manufacturing subsidiary, (ii) establishing reciprocal distribution agreements whereby the Company will distribute Vitrocrisa glass tableware products sold into the United States and Canada, and Vitrocrisa will distribute Libbey glass tableware products in Mexico, Central and South America, and (iii) the Company's purchase of the business known as WorldCrisa, a supplier of flatware, dinnerware and other tabletop products to the foodservice industry in the United States and Canada. Completion of the Proposed Transaction remains subject to performance of final due diligence, the negotiation and signing of definitive agreements, Board approvals of the respective companies and regulatory clearance. The Company expects the Proposed Transaction to close in July, 1997.

USE OF PROCEEDS

Unless otherwise indicated in the applicable Prospectus Supplement, the Company anticipates that any net proceeds would be used for general corporate purposes, which may include but are not limited to working capital, capital expenditures and acquisitions or the repayment or refinancing of indebtedness of the Company, including indebtedness outstanding under the unsecured credit agreement among the Company, its Canadian subsidiary and the lenders named therein (the "Bank Credit Agreement"). The factors which the Company will consider in any refinancing will include the number of shares of Common Stock and/or the amount and characteristics of any Debt Securities issued and may include, among others, the impact of such refinancing on the Company's liquidity, debt-to-capital ratio and earnings per share. When a particular series of Securities is offered, the Prospectus Supplement relating thereto will set forth the Company's intended use for the net proceeds received from the sale of such Securities. Pending the application of the net proceeds, the Company expects to invest such proceeds in short-term, interest-bearing instruments or other investment-grade securities or to reduce indebtedness under its Bank Credit Agreement.

RATIOS OF EARNINGS TO FIXED CHARGES

The following table sets forth the ratio of earnings to fixed charges of the Company for the periods indicated.

	FISCAL QUARTER ENDED MARCH 31,		FISCAL YEAR ENDED DECEMBER 31,				
	1997	1996	1996	1995	1994	1993	1992
Ratio of earnings to fixed charges (a)...	3.1	2.4	4.2	4.2	3.9	2.3	1.5

(a) For the purpose of calculating the ratio of earnings to fixed charges, earnings consist of income before income taxes and fixed charges. Fixed charges include interest and amortization of debt expense and that portion of rentals representative of an interest factor.

DESCRIPTION OF DEBT SECURITIES

The following description sets forth certain general terms and provisions of the Debt Securities to which any Prospectus Supplement may relate. The particular terms of the Debt Securities offered by any Prospectus Supplement, and the extent, if any, to which such general provisions do not apply to the Debt Securities so offered, will be described in the Prospectus Supplement relating to such Debt Securities.

Debt Securities may be issued from time to time in series under an indenture, and one or more indentures supplemental thereto (collectively, the "Indenture"), between the Company and a trustee to be identified in the applicable Prospectus Supplement (the "Trustee"). The terms of the Debt Securities will include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (the "TIA") as in effect on the date of the Indenture. The Debt Securities will be subject to all such terms, and potential purchasers of the Debt Securities are referred to the Indenture and the TIA for a statement thereof. The following summary of certain provisions of the Indenture does not purport to be complete and is qualified in its entirety by reference to the Indenture, including the definitions therein of certain terms used below. A copy of the proposed form of Indenture has been filed as an exhibit to the Registration Statement of which this Prospectus is a part. As used under this caption, unless the context otherwise requires, "Offered Debt Securities" shall mean the Debt Securities offered by this Prospectus and the accompanying Prospectus Supplement.

GENERAL

The Indenture will provide for the issuance of Debt Securities in series and will not limit the principal amount of Debt Securities which may be issued thereunder. In addition, except as may be provided in the Prospectus Supplement relating to such Debt Securities, the Indenture will not limit the amount of additional indebtedness the Company may incur.

The applicable Prospectus Supplement or Prospectus Supplements will describe the following terms of the series of Offered Debt Securities in respect of which this Prospectus is being delivered: (1) the title of the Offered Debt Securities; (2) whether the Offered Debt Securities are Senior Debt Securities, Senior Subordinated Debt Securities or Subordinated Debt Securities or any combination thereof; (3) any limit upon the aggregate principal amount of the Offered Debt Securities; (4) the price or prices at which the Offered Debt Securities will be issued; (5) the date or dates on which the principal of the Offered Debt Securities is payable; (6) the rate or rates (which may be fixed or variable) at which the Offered Debt Securities will bear interest, if any, or the manner in which such rate or rates are determined; (7) the date or dates from which any such interest will accrue, the interest payment dates on which any such interest on the Offered Debt Securities will be payable and the record dates for the determination of holders to whom such interest is payable; (8) the place or places where the principal of and any interest on the Offered Debt Securities will be payable; (9) the obligation of the Company, if any, to redeem, repurchase or repay the Offered Debt Securities in whole or in part pursuant to any sinking fund or analogous provisions or at the option of the holders and the price or prices at which and the period or periods within which and the terms and conditions upon which the Offered Debt Securities shall be redeemed, repurchased or repaid pursuant to such obligation; (10) the denominations in which any Offered Debt Securities will be issuable, if other than denominations of U.S. $1,000 and any integral multiple thereof; (11) if other than the principal amount thereof, the portion of the principal amount of the Offered Debt Securities of the series which will be payable upon declaration of the acceleration of the maturity thereof; (12) any addition to or change in the covenants which apply to the Offered Debt Securities; (13) any Events of Default with respect to the Offered Debt Securities, if not otherwise set forth under "Events of Default"; (14) whether the Offered Debt Securities will be issued in whole or in part in global form, the terms and conditions, if any, upon which such global Offered Debt Securities may be exchanged in whole or in part for other individual securities, and the depositary for the Offered Debt Securities; (15) the nature and terms of the security for any secured Offered Debt Securities; and (16) any other terms of the Offered Debt Securities which terms shall not be inconsistent with the provisions of the Indenture.

Debt Securities may be issued at a discount from their principal amount ("Original Issue Discount Securities"). Federal income tax considerations and other special considerations applicable to any such Original Issue Discount Securities will be described in the applicable Prospectus Supplement.

Debt Securities may be issued in bearer form, with or without coupons. Federal income tax considerations and other special considerations applicable to bearer securities will be described in the applicable Prospectus Supplement.

STATUS OF DEBT SECURITIES

The Senior Debt Securities will rank pari passu with all other unsecured and unsubordinated indebtedness of the Company.

The obligations of the Company pursuant to Senior Subordinated Debt Securities will be subordinate in right of payment, to the extent and in the manner set forth in the Indenture, to all Senior Indebtedness of the Company. With respect to any series of Senior Subordinated Debt Securities, "Senior Indebtedness" of the Company will be defined to mean the principal of, and premium, if any, and any interest (including interest accruing subsequent to the commencement of any proceeding for the bankruptcy or reorganization of the Company under any applicable bankruptcy, insolvency or similar law now or hereafter in effect) and all other monetary obligations of every kind or nature due on or in connection with (a) all indebtedness of the Company whether heretofore or hereafter incurred (i) for borrowed money or (ii) in connection with the acquisition by the Company or a subsidiary of the Company of assets other than in the ordinary course of business, for the payment of which the Company is liable directly or indirectly by guarantee, letter of credit, obligation to purchase or acquire or otherwise, or the payment of which is secured by a lien, charge or encumbrance on assets acquired by the Company, (b) amendments, modifications, renewals, extensions and deferrals of any such indebtedness, and (c) any indebtedness issued in exchange for any such indebtedness (clauses (a) through (c) hereof being collectively referred to herein as "Debt"); provided, however, that the following will not constitute Senior Indebtedness with respect to Senior Subordinated Debt Securities: (1) any Debt as to which, in the instrument evidencing such Debt or pursuant to which such Debt was issued, it is expressly provided that such Debt is subordinate in right of payment to all Debt of the Company not expressly subordinated to such Debt; (2) any Debt which by its terms refers explicitly to the Senior Subordinated Debt Securities and states that such Debt shall not be senior in right of payment; and (3) any Debt of the Company in respect of the Senior Subordinated Debt Securities or any Subordinated Debt Securities.

The obligations of the Company pursuant to Subordinated Debt Securities will be subordinate in right of payment to all Senior Indebtedness of the Company and to any Senior Subordinated Debt Securities; provided, however, that the following will not constitute Senior Indebtedness with respect to Subordinated Debt Securities: (1) any Debt as to which, in the instrument evidencing such Debt or pursuant to which such Debt was issued, it is expressly provided that such Debt is subordinate in right of payment to all Debt of the Company not expressly subordinated to such Debt; and (2) any Debt of the Company in respect of Subordinated Debt Securities and any Debt which by its terms refers explicitly to the Subordinated Debt Securities and states that such Debt shall not be senior in right of payment.

No payment pursuant to the Senior Subordinated Debt Securities or the Subordinated Debt Securities, as the case may be, may be made unless all amounts of principal, premium, if any, and interest then due on all applicable Senior Indebtedness of the Company shall have been paid in full or if there shall have occurred and be continuing beyond any applicable grace period a default in any payment with respect to any such Senior Indebtedness, or if there shall have occurred any event of default with respect to any such Senior Indebtedness permitting the holders thereof to accelerate the maturity thereof, or if any judicial proceeding shall be pending with respect to any such default. However, the Company may make payments pursuant to the Senior Subordinated Debt Securities or the Subordinated Debt Securities, as the case may be, if a default in payment or an event of default with respect to the Senior Indebtedness permitting the holder thereof to accelerate the maturity thereof has occurred and is continuing and judicial proceedings with respect thereto have not been commenced within a certain number of days of such default in payment or event of default. Upon any distribution of the assets of the Company upon dissolution, winding-up, liquidation or reorganization, the

holders of Senior Indebtedness of the Company will be entitled to receive payment in full of principal, premium, if any, and interest (including interest accruing subsequent to the commencement of any proceeding for the bankruptcy or reorganization of the Company under any applicable bankruptcy, insolvency or similar law now or hereafter in effect) before any payment is made on the Senior Subordinated Debt Securities or Subordinated Debt Securities, as applicable. By reason of such subordination, in the event of insolvency of the Company, holders of Senior Indebtedness of the Company may receive more, ratably, and holders of the Senior Subordinated Debt Securities or Subordinated Debt Securities, as applicable, having a claim pursuant to the Senior Subordinated Debt Securities or Subordinated Debt Securities, as applicable, may receive less, ratably, than the other creditors of the Company. Such subordination will not prevent the occurrence of any event of default (an "Event of Default") in respect of the Senior Subordinated Debt Securities or the Subordinated Debt Securities.

If the Company offers Debt Securities, the applicable Prospectus Supplement will set forth the aggregate amount of outstanding indebtedness, if any, as of the most recent practicable date that by the terms of such Debt Securities would be senior to such Debt Securities. The applicable Prospectus Supplement will also set forth any limitation on the issuance by the Company of any additional senior indebtedness.

CONVERSION RIGHTS

The terms, if any, on which Debt Securities of a series may be exchanged for or converted into shares of Common Stock will be set forth in the Prospectus Supplement relating thereto.

EXCHANGE, REGISTRATION, TRANSFER AND PAYMENT

Unless otherwise specified in the applicable Prospectus Supplement, payment of principal, premium, if any, and any interest on the Debt Securities will be payable, and the exchange of and the transfer of Debt Securities will be registerable, at the office of the Trustee or at any other office or agency maintained by the Company for such purpose subject to the limitations of the Indenture. Unless otherwise indicated in the applicable Prospectus Supplement, the Debt Securities will be issued in denominations of U.S. $1,000 or integral multiples thereof. No service charge will be made for any registration of transfer or exchange of the Debt Securities, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge imposed in connection therewith.

GLOBAL DEBT SECURITIES

The Debt Securities of a series may be issued in the form of one or more Global Securities (the "Global Securities") that will be deposited with a Depositary or its nominee identified in the applicable Prospectus Supplement. In such a case, one or more Global Securities will be issued in a denomination or aggregate denominations equal to the portion of the aggregate principal amount of outstanding Debt Securities of the series to be represented by such Global Security or Securities. Each Global Security will be deposited with such Depositary or nominee or a custodian therefor and will bear a legend regarding the restrictions on exchanges and registration of transfer thereof referred to below and any such other matters as may be provided for pursuant to the applicable Indenture.

Notwithstanding any provision of the Indenture or any Debt Security described herein, no Global Security may be transferred to, or registered or exchanged for Debt Securities registered in the name of, any person or entity other than the Depositary for such Global Security or any nominee of such Depositary, and no such transfer may be registered, unless (i) the Depositary has notified the Company that it is unwilling or unable to continue as Depositary for such Global Security or has ceased to be qualified to act as such as required by the applicable Indenture and, in either case, the Company fails to appoint a successor Depositary within 90 days after such event, (ii) the Company executes and delivers to the Trustee an order that such Global Security shall be so transferable, registrable and exchangeable, and such transfers shall be registrable, or (iii) there shall exist such circumstances, if any, as may be described in the applicable Prospectus Supplement. All Debt Securities issued in exchange for a Global Security or any portion thereof will be registered in such names as the Depositary may direct.

The specific terms of the depositary arrangement with respect to any portion of a series of Debt Securities to be represented by a Global Security will be described in the applicable Prospectus Supplement. The Company expects that the following provisions will apply to depositary arrangements.

Unless otherwise specified in the applicable Prospectus Supplement, Debt Securities which are to be represented by a Global Security to be deposited with or on behalf of a Depositary will be represented by a Global Security registered in the name of such Depositary or its nominee. Upon the issuance of such Global Security, and the deposit of such Global Security with or on behalf of the Depositary for such Global Security, the Depositary will credit, on its book-entry registration and transfer system, the respective principal amounts of the Debt Securities represented by such Global Security to the accounts of institutions that have accounts with such Depositary or its nominee ("participants"). The accounts to be credited will be designated by the underwriters or agents of such Debt Securities or by the Company, if such Debt Securities are offered and sold directly by the Company. Ownership of beneficial interests in such Global Security will be limited to participants or persons that may hold interests through participants. Ownership of beneficial interests by participants in such Global Security will be shown on, and the transfer of that ownership interest will be effected only through, records maintained by the Depositary or its nominee for such Global Security. Ownership of beneficial interests in such Global Security by persons that hold through participants will be shown on, and the transfer of that ownership interest within such participant will be effected only through, records maintained by such participant. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of such securities in certificated form. The foregoing limitations and such laws may impair the ability to transfer beneficial interests in such Global Securities.

So long as the Depositary for a Global Security, or its nominee, is the registered owner of such Global Security, such Depositary or such nominee, as the case may be, will be considered the sole owner or holder of the Debt Securities represented by such Global Security for all purposes under the Indenture. Unless otherwise specified in the applicable Prospectus Supplement, owners of beneficial interests in such Global Security will not be entitled to have Debt Securities of the series represented by such Global Security registered in their names, will not receive or be entitled to receive physical delivery of Debt Securities of such series in certified form and will not be considered the holders thereof for any purposes under the Indenture. Accordingly, each person owning a beneficial interest in such Global Security must rely on the procedures of the Depositary and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, to exercise any rights of a holder under the Indenture. If the Company requests any action of holders or if an owner of a beneficial interest in such Global Security desires to give any notice or take any action a holder is entitled to give or take under the Indenture, the Depositary will authorize the participants to give such notice or take such action, and participants would authorize beneficial owners owning through such participants to give such notice or take such action or would otherwise act upon the instructions of beneficial owners owning through them.

Notwithstanding any other provisions to the contrary in the Indenture, the rights of the beneficial owners of the Debt Securities to receive payment of the principal and premium, if any, of and interest on such Debt Securities, on or after the respective due dates expressed in such Debt Securities, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of the beneficial owners.

Principal of and any interest on a Global Security will be payable in the manner described in the applicable Prospectus Supplement.

CONSOLIDATION, MERGER AND SALE OF ASSETS

The Company may not consolidate with or merge with or into, or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its property or assets to any person unless (a) the Company is the surviving corporation or the entity or the person formed by or surviving any such consolidation or merger (if other than the Company) or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made is a corporation organized and existing under the laws of the United States, any state thereof or the District of Columbia; (b) the entity or person formed by or surviving any such consolidation or

merger (if other than the Company) or the entity or person to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made assumes all the obligations of the Company under the Debt Securities and the Indenture; and (c) immediately prior to and after the transaction no Default (as defined in the Indenture) or Event of Default exists.

Except as may be described in a Prospectus Supplement applicable to a particular series of Debt Securities, there are no covenants or other provisions in the Indenture providing for a put or increased interest or otherwise that would afford holders of Debt Securities additional protection in the event of a recapitalization transaction, a change of control of the Company or a highly leveraged transaction.

CERTAIN OTHER COVENANTS

Unless otherwise indicated in this Prospectus or a Prospectus Supplement, the Debt Securities will not have the benefit of any covenants that limit or restrict the Company's business or operations, the pledging of the Company's assets or the incurrence of indebtedness by the Company.

With respect to any series of Senior Subordinated Debt Securities, the Company will agree not to issue Debt which is, expressly by its terms, subordinated in right of payment to any other Debt of the Company and which is not expressly made pari passu with, or subordinate and junior in right of payment to, the Senior Subordinated Debt Securities.

The applicable Prospectus Supplement will describe any material covenants in respect of a series of Debt Securities. Other than the covenants of the Company included in the Indenture as described above or as described in the applicable Prospectus Supplement, the Indenture will not provide holders of Debt Securities protection in the event of a highly-leveraged transaction, reorganization, restructuring, merger or similar transaction involving the Company which could adversely affect holders of Debt Securities.

EVENTS OF DEFAULT

Unless otherwise specified in the applicable Prospectus Supplement, the following will constitute Events of Default under the Indenture with respect to Debt Securities of any series: (a) failure to pay principal of any Debt Security of that series when due and payable at maturity, upon redemption or otherwise;
(b) failure to pay any interest on any Debt Security of that series when due, and the Default continues for 60 days; (c) an Event of Default, as defined in the Debt Securities of that series, occurs and is continuing, or the Company fails to comply with any of its other agreements in the Debt Securities of that series or in the Indenture with respect to that series and the Default continues for the period and after the notice provided therein (and described below); and
(d) certain events of bankruptcy, insolvency or reorganization. A Default under clause (c) above is not an Event of Default with respect to a particular series of Debt Securities until the Trustee or the holders of at least 50% in principal amount of the then outstanding Debt Securities of that series notify the Company of the Default and the Company does not cure the Default within 60 days after receipt of the notice. The notice must specify the Default, demand that it be remedied and state that the notice is a "Notice of Default."

If an Event of Default with respect to outstanding Debt Securities of any series (other than an Event or Default relating to certain events of bankruptcy, insolvency or reorganization) shall occur and be continuing, either the Trustee or the holders of at least 50% in principal amount of the outstanding Debt Securities of that series by notice, as provided in the Indenture, may declare the unpaid principal amount (or, if the Debt Securities of that series are Original Issue Discount Securities, such lesser amount as may be specified in the terms of that series) of, and any accrued and unpaid interest on, all Debt Securities of that series to be due and payable immediately. However, at any time after a declaration of acceleration with respect to Debt Securities of any series has been made, but before a judgment or decree based on such acceleration has been obtained, the holders of a majority in principal amount of the outstanding Debt Securities of that series may, under certain circumstances, rescind and annul such acceleration. For information as to waiver of defaults, see "Modification and Waiver" below.

The Indenture will provide that, subject to the duty of the Trustee during an Event of Default to act with the required standard of care, the Trustee will be under no obligation to exercise any of its rights or powers under the applicable Indenture at the request or direction of any of the holders, unless such holders shall have offered to the Trustee reasonable security or indemnity. Subject to certain provisions, including those requiring security or indemnification of the Trustee, the holders of a majority in principal amount of the outstanding Debt Securities of any series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, with respect to the Debt Securities of that series.

The Company will be required to furnish to the Trustee under the Indenture annually a statement as to the performance by the Company of its obligations under that Indenture and as to any default in such performance.

MODIFICATION AND WAIVER

Subject to certain exceptions, the Company and the Trustee may amend the Indenture or the Debt Securities with the written consent of the holders of a majority in principal amount of the then outstanding Debt Securities of each series affected by the amendment with each series voting as a separate class. The holders of a majority in principal amount of the then outstanding Debt Securities of any series may also waive compliance in a particular instance by the Company with any provision of the Indenture with respect to the Debt Securities of that series; provided, however, that without the consent of each holder of Debt Securities of such series affected, an amendment or waiver may not (i) reduce the percentage of the principal amount of Debt Securities whose holders must consent to an amendment or waiver; (ii) reduce the rate or change the time for payment of interest on any Debt Security (including default interest); (iii) reduce the principal of or premium, if any, or change the fixed maturity of any Debt Security, or reduce the amount of, or postpone the date fixed for, redemption or the payment of any sinking fund or analogous obligation with respect thereto; (iv) make any Debt Security payable in currency other than that stated in the Debt Security; (v) make any change in the provisions concerning waivers of Default or Events of Default by holders or the rights of holders to recover the principal of, premium, if any, or interest on, any Debt Security; (vi) waive a default in the payment of the principal of, or interest on, any Debt Security, except as otherwise provided in the Indenture or (vii) reduce the principal amount of Original Issue Discount Securities payable upon acceleration of the maturity thereof. The Company and the Trustee may amend the Indenture or the Debt Securities without notice to or the consent of any holder of a Debt Security: (i) to cure any ambiguity, defect or inconsistency; (ii) to comply with the Indenture's provisions with respect to successor corporations;
(iii) to comply with any requirements of the Commission in connection with the qualification of the Indenture under the TIA; (iv) to provide for Debt Securities in addition to or in place of certificated Debt Securities; (v) to add to, change or eliminate any of the provisions of the Indenture in respect of one of more series of Debt Securities, provided, however, that any such addition, change or elimination (A) shall neither (1) apply to any Debt Security of any series created prior to the execution of such amendment and entitled to the benefit of such provision, nor (2) modify the rights of a holder of any such Debt Security with respect to such provision, or (B) shall become effective only when there is no outstanding Debt Security of any series created prior to such amendment and entitled to the benefit of such provision; (vi) to make any change that does not adversely affect in any material respect the interest of any holder; or (vii) to establish additional series of Debt Securities as permitted by the Indenture.

The holders of a majority in principal amount of the then outstanding Debt Securities of any series, by notice to the Trustee, may waive an existing Default or Event of Default and its consequences except a Default or Event of Default in the payment of the principal of, or any interest on, any Debt Security with respect to the Debt Securities of that series; provided, however, that the holders of a majority in principal amount of the outstanding Debt Securities of any series may rescind an acceleration and its consequences, including any related payment default that resulted from such acceleration.

DEFEASANCE OF DEBT SECURITIES AND CERTAIN COVENANTS IN CERTAIN CIRCUMSTANCES

Legal Defeasance. Unless otherwise specified in the applicable Prospectus Supplement, the Indenture will provide that the Company may be discharged from any and all obligations in respect of the Debt Securities of any series (except for certain obligations to register the transfer or exchange of Debt Securities of such series, to replace stolen, lost or mutilated Debt Securities of such series, and to maintain paying agencies and certain provisions relating to the treatment of funds held by paying agents) on the 91st day after the date of the deposit with the Trustee, in trust, of cash and/or U.S. government obligations, that, through the payment of interest and principal in respect thereof in accordance with their terms, will provide money in an amount sufficient in the opinion of a nationally recognized firm of independent public accountants to pay and discharge each installment of principal (and premium, if any) and interest, if any, on and any mandatory sinking fund payments in respect of the Debt Securities of such series on the stated maturity of such payments in accordance with the terms of the Indenture and such Debt Securities. Such discharge may occur only if, among other things, the Company has received from, or there has been published by, the United States Internal Revenue Service a ruling, or, since the date of execution of the Indenture, there has been a change in the applicable United States federal income tax law, in either case to the effect that holders of the Debt Securities of such series will not recognize income, gain or loss for United States federal income tax purposes as a result of such deposit, defeasance and discharge and will be subject to United States federal income tax on the same amount and in the same manner and at the same times as would have been the case if such deposit, defeasance and discharge had not occurred.

Defeasance of Certain Covenants. Unless otherwise specified in the applicable Prospectus Supplement, the Indenture will provide that unless otherwise provided by the terms of the applicable series of Debt Securities, upon compliance with certain conditions, on the 91st day after the date of deposit referred to below, the Company may omit to comply with the restrictive covenants contained in the Indenture, as well as any additional covenants contained in a supplement to the Indenture, a Board Resolution or an Officers' Certificate delivered pursuant thereto. The conditions include: the deposit with the Trustee of cash and/or U.S. government obligations, that, through the payment of interest and principal in respect thereof in accordance with their terms, will provide money in an amount sufficient in the opinion of a nationally recognized firm of independent public accountants to pay principal, premium, if any, and interest, if any, on and any mandatory sinking fund payments in respect of the Debt Securities of such series on the stated maturity of such payments in accordance with the terms of the Indenture and such Debt Securities; and the delivery to the Trustee of an opinion of counsel to the effect that the holders of the Debt Securities of such series will not recognize income, gain or loss for United States federal income tax purposes as a result of such deposit and related covenant defeasance and will be subject to United States federal income tax in the same amount and in the same manner and at the same times as would have been the case if such deposit and related covenant defeasance had not occurred.

Defeasance and Events of Default. In the event the Company exercises its option to omit compliance with certain covenants of the Indenture with respect to any series of Debt Securities and the Debt Securities of such series are declared due and payable because of the occurrence of any Event of Default, the amount of cash and/or U.S. government obligations on deposit with the Trustee will be sufficient to pay amounts due on the Debt Securities of such series at the time of their stated maturity but may not be sufficient to pay amounts due on the Debt Securities of such series at the time of the acceleration resulting from such Event of Default. However, the Company will remain liable for such payments.

REGARDING THE TRUSTEES

The Trustee with respect to any series of Debt Securities will be identified in the Prospectus Supplement relating to such Debt Securities. The Indenture and provisions of the TIA incorporated by reference therein contain certain limitations on the rights of the Trustee, should it become a creditor of the Company, to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim, as security or otherwise. The Trustee and its affiliates may engage in, and will be permitted to continue to engage

in, other transactions with the Company and its affiliates; provided, however, that if it acquires any conflicting interest (as defined in the TIA), it must eliminate such conflict or resign.

The holders of a majority in principal amount of the then outstanding Debt Securities of any series will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee. The TIA and the Indenture provide that in case an Event of Default shall occur (and be continuing), the Trustee will be required, in the exercise of its rights and powers, to use the degree of care and skill of a prudent man in the conduct of his own affairs. Subject to such provision, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any of the holders of the Debt Securities issued thereunder, unless they have offered to the Trustee indemnity satisfactory to it.

DESCRIPTION OF CAPITAL STOCK

Pursuant to the Company's Restated Certificate of Incorporation (the "Certificate"), the Company is authorized to issue an aggregate of 55,000,000 shares of stock, consisting of 50,000,000 shares of Common Stock and 5,000,000 shares of preferred stock, par value $.01 per share (the "Preferred Stock"). At June 5, 1997, there were 15,160,621 shares of Common Stock outstanding and no shares of Preferred Stock outstanding. In addition, 200,000 shares of Preferred Stock have been authorized and reserved for issuance in connection with the Rights described below.

COMMON STOCK

Each holder of Common Stock is entitled to one vote for each share owned of record on all matters voted upon by stockholders, and, except as described below, a majority vote is required for all action to be taken by stockholders. Holders of Common Stock are entitled to receive ratably such dividends as may be declared by the Board of Directors of the Company on the Common Stock out of funds legally available therefore, subject to the dividend rights of any Preferred Stock that may be issued. The declaration and payment of dividends are restricted by the provisions of the Company's Bank Credit Agreement. In the event of a liquidation, dissolution or winding-up of the Company, the holders of Common Stock are entitled to share equally and ratably in the assets of the Company, if any, remaining after the payment of all debts and liabilities of the Company and the liquidation preference of any outstanding Preferred Stock. The holders of Common Stock have no preemptive rights, cumulative voting rights, or rights to convert shares of Common Stock into any other securities, and the Common Stock is not subject to any redemption or sinking fund provisions.

The Certificate also provides for a classified Board of Directors consisting of three classes as nearly equal in size as practicable. Each class holds office until the third annual meeting for election of directors following the election of such class. No director may be removed except upon a vote of a majority of the Board of Directors or upon a vote of 80% of the stockholders, and the provisions of the Certificate relating to the classified Board may be amended only upon a vote of the holders of at least 80% of the outstanding shares of Common Stock.

The Certificate provides that except under certain circumstances, directors of the Company shall not be personally liable to the Company or its stockholders for monetary damages for breach of fiduciary duties as a director. That provision does not exonerate the directors from liability under federal securities laws, and has no effect on any nonmonetary remedies that may be available to the Company or its stockholders. The Certificate and the By-laws of the Company provide for indemnification of the officers and directors of the Company to the full extent permitted by applicable law.

The Common Stock is listed on the New York Stock Exchange. The transfer agent and registrar for the Common Stock is The Bank of New York.

SECTION 203 OF THE DELAWARE LAW

The Company is subject to Section 203 of the Delaware General Corporation Law, which generally prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested

stockholder" for a period of three years after the time of the transaction in which the person became an interested stockholder, unless (i) prior to such time, the board of directors of the corporation approved the business combination or the transaction which resulted in the stockholder becoming an interested stockholder, (ii) upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owns at least 85% of the outstanding voting stock, or (iii) at or subsequent to such time the business combination is approved by the board of directors and by the affirmative vote of at least 66 2/3% of the outstanding voting stock which is not owned by the interested stockholder. A "business combination" includes mergers, asset sales and other transactions resulting in a financial benefit to the interested stockholder. An "interested stockholder" is a person who, together with affiliates and associates, owns (or within three years, did own) 15% or more of the corporation's voting stock.

PREFERRED STOCK PURCHASE RIGHTS

Each share of Common Stock includes one preferred stock purchase right (the "Rights"), which are associated with and trade with the Common Stock. Each Right entitles the registered holder thereof, after the Rights become exercisable and until January 4, 2005 (or the earlier redemption, exchange or termination of the Rights), to purchase from the Company one one-hundredth (1/100th) of a share of Series A Junior Participating Preferred Stock, par value $.01 per share (the "Preferred Shares"), at a price of $55 per one one-hundredth (1/100th) of a Preferred Share, subject to certain antidilution adjustments (the "Purchase Price"). The Rights are represented by the Common Stock certificates and do not become exercisable or transferable apart from the Common Stock until the earlier to occur of (i) ten (10) days following a public announcement that a Person or group of affiliated or associated Persons has become an Acquiring Person (a Person or group of affiliated or associated Persons who has acquired, or obtained the right to acquire, beneficial ownership of 20% or more of the Common Stock), or (ii) ten (10) days after a Person or group commences, or announces an intention to commence, a tender or exchange offer, the consummation of which would result in the beneficial ownership by a Person or group of 20% or more of the Common Stock (the earlier of (i) and (ii) being called the "Distribution Date"). The Board of Directors has the power, under certain circumstances, to postpone the Distribution Date. Separate certificates representing the Rights will be mailed to holders of record of the Common Stock as of the close of business on the Distribution Date. The Rights will first become exercisable on the Distribution Date, unless earlier redeemed or exchanged, and may then begin trading separately from the Common Stock. The Rights will at no time have any voting rights.

Each Preferred Share purchasable upon exercise of the Rights will be entitled to a minimum preferential quarterly dividend payment of $1.00 per share but will be entitled to an aggregate dividend of 100 times the dividend, if any, declared per share of Common Stock. In the event of liquidation, the holders of the Preferred Shares will be entitled to a minimum preferential liquidation payment of $100 per share but will be entitled to an aggregate payment of 100 times the payment made per share of Common Stock. Finally, in the event of any merger, consolidation or other transaction in which shares of Common Stock are exchanged, each Preferred Share will be entitled to receive 100 times the amount received per share of Common Stock. These rights are protected by customary antidilution provisions. Because of the nature of the Preferred Shares' dividend, liquidation and voting rights, the value of one one-hundredth of a Preferred Share purchasable upon exercise of each Right should approximate the value of one share of Common Stock.

In the event that a Person becomes an Acquiring Person (except pursuant to certain cash offers for all outstanding shares of Common Stock approved by the Board of Directors of the Company) or if the Company were the surviving corporation in a merger with an Acquiring Person or any affiliate or associate of an Acquiring Person and the shares of Common Stock were not changed or exchanged, each holder of a Right, other than Rights that are or were acquired or beneficially owned by the Acquiring Person (which Rights will thereafter be void), will thereafter have the right to receive upon the exercise thereof at the then current Purchase Price of the Right, that number of shares of Common Stock having a market value of two times the then current Purchase Price of one Right. With certain exceptions, in the event that, following the time that a Person has become an Acquiring Person, the Company were acquired in a merger or other business combination transaction or more than 50% of its assets or earning power were sold, proper provision shall be made so that each holder of a Right shall thereafter have the right to receive, upon the exercise thereof at the

then current Purchase Price of the Right, that number of shares of common stock of the acquiring company which at the time of such transaction would have a market value of two times the then current Purchase Price of one Right.

At any time after a Person becomes an Acquiring Person and prior to the acquisition by such Acquiring Person of 50% or more of the then outstanding shares of Common Stock, the Board of Directors may cause the Company to acquire the Rights (other than Rights owned by an Acquiring Person which have become void), in whole or in part, in exchange for that number of shares of Common Stock having an aggregate value equal to the Spread (the excess of the value of the shares of Common Stock issuable upon exercise of a Right after a Person becomes an Acquiring Person over the Purchase Price) per Right (subject to adjustment).

The Rights may be redeemed in whole, but not in part, at a price of $.001 per Right (the "Redemption Price") by the Board of Directors at any time prior to the close of business on the tenth day following the first date of public announcement that a Person or group has become an Acquiring Person. The Board of Directors has the power, under certain circumstances, to extend the ten-day redemption period. Under certain circumstances set forth in the Rights Agreement, the decision to redeem or to lengthen or shorten the redemption period shall require the concurrence of a majority of the continuing directors. Immediately upon the action of the Board of Directors of the Company electing to redeem the Rights, the Company shall make an announcement thereof, and upon such election, the right to exercise the Rights will terminate and the only right of the holders of Rights will be to receive the Redemption Price.

The Rights will expire on January 4, 2005 (unless earlier redeemed, exchanged or terminated). The Bank of New York is the Rights Agent.

PLAN OF DISTRIBUTION

The Company may sell the Securities to one or more underwriters for public offering and sale by them and may also sell the Securities to investors directly or through agents. Any such underwriter, or agent involved in the offer and sale of Securities will be named in the applicable Prospectus Supplement. The Company has reserved the right to sell or exchange Securities directly to investors on its own behalf in those jurisdictions where and in such manner as it is authorized to do so.

The distribution of the Securities may be effected from time to time in one or more transactions at a fixed price or prices, which may be changed, or at market prices prevailing at the time of sale, at prices related to such prevailing market prices, or at negotiated prices. Sales of Common Stock offered hereby may be effected from time to time in one or more transactions on the New York Stock Exchange or in negotiated transactions or a combination of such methods. The Company may also, from time to time, authorize dealers, acting as the Company's agents, to offer and sell Securities upon the terms and conditions as are set forth in the applicable Prospectus Supplement. In connection with the sale of Securities, underwriters may receive compensation from the Company in the form of underwriting discounts or commissions and may also receive commissions from purchasers of the Securities for whom they may act as agent. Underwriters may sell Securities to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions from the purchasers for whom they may act as agent. Any such underwriter, dealer or agent will be identified, and any such compensation received from the Company will be described, in the Prospectus Supplement. Unless otherwise indicated in a Prospectus Supplement, an agent will be acting on a best efforts basis and a dealer will purchase Securities as a principal, and may then resell such Securities at varying prices to be determined by the dealer.

Any underwriting compensation paid by the Company to underwriters or agents in connection with the offering of Securities, and any discounts, concessions or commissions allowed by underwriters to participating dealers, will be set forth in the applicable Prospectus Supplement. Dealers and agents participating in the distribution of Securities may be deemed to be underwriters, and any discounts and commissions received by them and any profit realized by them on resale of the Securities may be deemed to be underwriting discounts and commissions. Underwriters, dealers and agents may be entitled, under agreements entered into with the Company, to indemnification against and contribution toward certain civil liabilities, including liabilities under the Securities Act, and to reimbursement by the Company for certain expenses.

To facilitate an offering of a series of Securities, certain persons participating in the offering may engage in transactions that stabilize, maintain, or otherwise affect the price of the Securities. This may include over-allotments or short sales of the Securities, which involves the sale by persons participating in the offering of more Securities than have been sold to them by the Company. In such circumstances, such persons would cover such over-allotments or short positions by purchasing in the open market or by exercising the over-allotment option granted to such persons. In addition, such persons may stabilize or maintain the price of the Securities by bidding for or purchasing Securities in the open market or by imposing penalty bids, whereby selling concessions allowed to dealers participating in any such offering may be reclaimed if Securities sold by them are repurchased in connection with stabilization transactions. The effect of these transactions may be to stabilize or maintain the market price of the Securities at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

Certain of the underwriters, dealers or agents and their associates may engage in transactions with and perform services for the Company in the ordinary course of business, including refinancing of the Company's indebtedness. See "Use of Proceeds."

LEGAL MATTERS

Certain legal matters with respect to the Securities offered hereby will be passed upon for the Company by Latham & Watkins, Chicago, Illinois. Certain legal matters will be passed upon for any agents or underwriters by counsel for such agents or underwriters identified in the applicable Prospectus Supplement. Such persons do not have the power to vote or dispose of such shares of Common Stock.

EXPERTS

The consolidated financial statements of Libbey Inc. appearing in the Company's Annual Report (Form 10-K) for the year ended December 31, 1996, have been audited by Ernst & Young LLP, independent auditors, as set forth in their report thereon included therein and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such report given upon the authority of such firm as experts in accounting and auditing.

... & INTERNATIONAL EXPANSION

[LOGO-FULL PAGE MAP]

Worldwide Technical Assistance Service Agreements

Exporting to Over 100 Countries

Libbey Canada Acquisition '93

Libbey. The Leading Producer of Glass Table-ware in North America

Libbey Inc.

'95 Syracuse China Acquisition

World Tableware Acquisition '97

Vitrocrisa S.A. Joint Venture '97

NO DEALER, SALESPERSON OR ANY OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN OR INCORPORATED BY REFERENCE IN THIS PROSPECTUS SUPPLEMENT OR THE PROSPECTUS IN CONNECTION WITH THE OFFER MADE BY THIS PROSPECTUS SUPPLEMENT AND THE PROSPECTUS AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY OR ANY OF THE UNDERWRITERS. NEITHER THE DELIVERY OF THIS PROSPECTUS SUPPLEMENT OR THE PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE AS OF WHICH INFORMATION IS GIVEN IN THIS PROSPECTUS SUPPLEMENT. THIS PROSPECTUS SUPPLEMENT AND THE PROSPECTUS DO NOT CONSTITUTE AN OFFER OR SOLICITATION BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED OR IN WHICH THE PERSON MAKING SUCH OFFER IS NOT QUALIFIED TO DO SO OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION.

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2,000,000 SHARES
LIBBEY LOGO
COMMON STOCK
PROSPECTUS
SUPPLEMENT

BEAR, STEARNS & CO. INC.
MERRILL LYNCH & CO.
SALOMON BROTHERS INC
November 5, 1997

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