UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended **July 3, 2005**

Commission file number 1-7349

BALL CORPORATION

State of Indiana 35-0160610

10 Longs Peak Drive, P.O. Box 5000
Broomfield, CO 80021-2510
303/469-3131

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes [X] No [ ]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).
Yes [X] No [ ]

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at July 3, 2005
Common Stock, without par value	109,138,796 shares

Ball Corporation and Subsidiaries
QUARTERLY REPORT ON FORM 10-Q
For the period ended July 3, 2005

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PART I. FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

Ball Corporation and Subsidiaries
UNAUDITED CONDENSED CONSOLIDATED
STATEMENTS OF EARNINGS
($ in millions, except per share amounts)

	Three Months Ended		Six Months Ended	
	July 3, 2005	July 4, 2004	July 3, 2005	July 4, 2004
Net sales	**$ 1,552.0**	**$ 1,467.2**	**$ 2,876.1**	**$ 2,698.7**
Costs and expenses				
Cost of sales (excluding depreciation and amortization)	1,302.7	1,193.5	2,399.5	2,206.0
Depreciation and amortization (Notes 8 and 10)	53.0	52.2	106.4	106.0
Business consolidation costs (Note 5)	8.8	–	8.8	–
Selling, general and administrative	56.0	67.7	119.0	138.8
	1,420.5	1,313.4	2,633.7	2,450.8
Earnings before interest and taxes	**131.5**	**153.8**	**242.4**	**247.9**
Interest expense	24.3	25.0	50.1	53.3
Earnings before taxes	107.2	128.8	192.3	194.6
Tax provision (Note 12)	(32.9)	(40.8)	(62.7)	(62.3)
Minority interests, net	(0.3)	(0.2)	(0.5)	(0.5)
Equity earnings, net	5.0	2.9	8.5	5.7
Net earnings	**$ 79.0**	**$ 90.7**	**$ 137.6**	**$ 137.5**
Earnings per share (Notes 14 and 15):				
Basic	$ 0.72	$ 0.82*(a)*	$ 1.24	$ 1.24*(a)*
Diluted	$ 0.71	$ 0.80*(a)*	$ 1.22	$ 1.21*(a)*
Weighted average common shares outstanding (in thousands) (Note 15):				
Basic	109,526	110,736*(a)*	110,589	111,048*(a)*
Diluted	111,483	113,700*(a)*	112,680	114,018*(a)*
Cash dividends declared and paid, per common share	$ 0.10	$ 0.075*(a)*	$ 0.20	$ 0.15*(a)*

(a) Per share and share amounts have been retroactively restated for a two-for-one stock split which occurred on August 23, 2004.

See accompanying notes to unaudited condensed consolidated financial statements.

Ball Corporation and Subsidiaries
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
($ in millions)

	July 3, 2005	December 31, 2004
ASSETS		
Current assets		
Cash and cash equivalents	$ 75.7	$ 198.7
Receivables, net (Note 6)	543.0	346.8
Inventories, net (Note 7)	657.6	629.5
Deferred taxes, prepaids and other current assets	88.5	70.6
Total current assets	1,364.8	1,245.6
Property, plant and equipment, net (Note 8)	1,504.5	1,532.4
Goodwill (Note 9)	1,287.9	1,410.0
Intangibles and other assets, net (Note 10)	272.8	289.7
Total Assets	$ 4,430.0	$ 4,477.7
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term debt and current portion of long-term debt (Note 11)	$ 165.4	$ 123.0
Accounts payable	549.4	453.0
Accrued employee costs	147.7	222.2
Income taxes payable (Note 12)	105.9	80.4
Other current liabilities	114.2	117.7
Total current liabilities	1,082.6	996.3
Long-term debt (Note 11)	1,588.0	1,537.7
Employee benefit obligations (Note 13)	718.8	734.3
Deferred taxes and other liabilities (Note 12)	82.3	116.4
Total liabilities	3,471.7	3,384.7
Contingencies (Note 17)		
Minority interests	5.6	6.4
Shareholders' equity (Note 14)		
Common stock (158,203,759 shares issued - 2005; 157,506,545 shares issued - 2004)	618.2	610.8
Retained earnings	1,123.3	1,007.5
Accumulated other comprehensive earnings (loss)	(54.3)	33.2
Treasury stock, at cost (49,064,963 shares - 2005; 44,815,138 shares - 2004)	(734.5)	(564.9)
Total shareholders' equity	952.7	1,086.6
Total Liabilities and Shareholders' Equity	$ 4,430.0	$ 4,477.7

See accompanying notes to unaudited condensed consolidated financial statements.

Ball Corporation and Subsidiaries
UNAUDITED CONDENSED CONSOLIDATED
STATEMENTS OF CASH FLOWS
($ in millions)

	Six Months Ended	
	July 3, 2005	July 4, 2004
Cash flows from operating activities		
Net earnings	$ 137.6	$ 137.5
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	106.4	106.0
Business consolidation costs (Note 5)	8.8	–
Deferred taxes	(20.6)	17.0
Other, net	2.4	3.2
Changes in other working capital components, excluding effects of acquisitions	(164.4)	(163.2)
Net cash provided by operating activities	70.2	100.5
Cash flows from investing activities		
Additions to property, plant and equipment	(148.3)	(67.4)
Business acquisitions, net of cash acquired (Note 4)	–	(17.0)
Other, net	(9.5)	(6.4)
Net cash used in investing activities	(157.8)	(90.8)
Cash flows from financing activities		
Long-term borrowings	145.4	70.6
Repayments of long-term borrowings	(45.8)	(70.4)
Change in short-term borrowings	58.4	48.7
Proceeds from issuance of common stock	20.1	16.8
Acquisitions of treasury stock	(188.1)	(58.9)
Common dividends	(21.8)	(16.7)
Other, net	(0.2)	(0.5)
Net cash used in financing activities	(32.0)	(10.4)
Effect of exchange rate changes on cash	(3.4)	0.1
Net change in cash and cash equivalents	(123.0)	(0.6)
Cash and cash equivalents-beginning of period	198.7	36.5
Cash and cash equivalents-end of period	$ 75.7	$ 35.9

See accompanying notes to unaudited condensed consolidated financial statements.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Principles of Consolidation and Basis of Presentation

The accompanying unaudited condensed consolidated financial statements include the accounts of Ball Corporation and its controlled affiliates (collectively Ball, the company, we or our) and have been prepared by the company without audit. Certain information and footnote disclosures, including critical and significant accounting policies, normally included in financial statements prepared in accordance with generally accepted accounting principles, have been condensed or omitted.

Results of operations for the periods shown are not necessarily indicative of results for the year, particularly in view of the seasonality in the packaging segments. These unaudited condensed consolidated financial statements and accompanying notes should be read in conjunction with the consolidated financial statements and the notes thereto included in the company's annual report on Form 10-K pursuant to Section 13 of the Securities Exchange Act of 1934 for the fiscal year ended December 31, 2004 (annual report).

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements, and reported amounts of revenues and expenses during the reporting period. These estimates are based on historical experience and various assumptions believed to be reasonable under the circumstances. Actual results could differ from these estimates under different assumptions and conditions. However, we believe that the financial statements reflect all adjustments which are of a normal recurring nature and are necessary for a fair statement of the results for the interim period.

Expense related to stock options is calculated using the intrinsic value method under the guidelines of Accounting Principles Board (APB) Opinion No. 25, and is therefore not included in the consolidated statements of earnings. Ball's earnings as reported include after-tax stock-based compensation of $0.6 million and $2.4 million for the quarter and six months ended July 3, 2005, respectively, and $2.4 million and $6 million for the comparable periods in 2004, respectively. If the fair-value-based method had been used, after-tax stock-based compensation would have been $2.7 million and $5.2 million for the quarter and six months ended July 3, 2005, respectively, and $2.3 million and $4.7 million for the same periods in 2004, respectively. On a pro forma basis, both basic and diluted earnings per share would have been $0.02 and $0.03 lower for the quarter and six months ended July 3, 2005, respectively. The pro forma effect on basic and diluted earnings per share of using the fair-value-based method was insignificant for the second quarter and first six months of 2004.

Certain prior-year amounts have been reclassified in order to conform to the current-year presentation.

2. New Accounting Standards

In May 2005 the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 154, "Accounting Changes and Error Corrections - a Replacement of APB Opinion No. 20 and FASB Statement No. 3." The new standard changes the requirements for the accounting for and reporting of a change in accounting principle and applies to all such voluntary changes. The previous accounting required that most changes in accounting principle be recognized in net earnings by including a cumulative effect of the change in the period of the change. SFAS No. 154, which will be effective for Ball beginning January 1, 2006, requires retroactive application to prior periods' financial statements.

2. New Accounting Standards *(continued)*

In December 2004 the FASB issued SFAS No. 123 (revised 2004), "Share-Based Payment." SFAS No. 123 (revised 2004) is a revision of SFAS No. 123, "Accounting for Stock-Based Compensation," and supersedes APB Opinion No. 25, "Accounting for Stock Issued to Employees." The new standard, which will be effective for Ball beginning January 1, 2006, establishes accounting standards for transactions in which an entity exchanges its equity instruments for goods or services, including stock option and restricted stock grants. On March 29, 2005, the Securities and Exchange Commission (SEC) issued Staff Accounting Bulletin (SAB) No. 107, which summarizes the views of the SEC staff regarding the interaction between SFAS No. 123 (revised 2004) and certain SEC rules and regulations and provides the SEC staff's views regarding the valuation of share-based payment arrangements for public companies. Ball is evaluating the effect on the company's results from adopting SFAS No. 123 (revised 2004) and SAB 107, and expects it to be comparable to the pro forma effects of applying the original SFAS No. 123 (discussed in Note 1).

On October 22, 2004, the American Jobs Creation Act of 2004 (Jobs Act) was enacted. The Jobs Act provides certain domestic companies a temporary opportunity to repatriate previously undistributed earnings of controlled foreign subsidiaries at a reduced federal tax rate, approximating 5.25 percent. The reduced rate is achieved via an 85 percent dividends received deduction on earnings repatriated during 2005. Accounting and disclosure guidance was provided in December 2004 in FASB Staff Position No. FAS 109-2, "Accounting and Disclosure Guidance for the Foreign Earnings Repatriation Provision within the American Jobs Creation Act of 2004." In July 2005 the company determined that it will make capital and dividend distributions from certain of its foreign subsidiaries during the third and fourth quarters of 2005. The expected taxable dividend distribution which will qualify under the Jobs Act is approximately $390 million with an incremental tax cost of $16 million. However, the incremental tax cost will be offset by the release of $21.6 million of accrued taxes on prior year unremitted foreign earnings, resulting in an estimated net decrease in tax expense of $5.6 million. (See Note 12.)

In December 2004 the FASB issued Staff Position No. FAS 109-1, "Application of FASB Statement No. 109, 'Accounting for Income Taxes,' to the Tax Deduction on Qualified Production Activities Provided by the American Jobs Creation Act of 2004" (FSP FAS 109-1). The Jobs Act introduces a special 9 percent tax deduction (3 percent per year beginning January 1, 2005) on qualified production activities. FSP FAS 109-1 clarifies that this tax deduction should be accounted for as a special tax deduction in accordance with SFAS No. 109. Based upon preliminary U.S. Treasury guidance, the impact of FSP FAS 109-1 on Ball's consolidated financial statements will not be significant.

In November 2004 the FASB issued SFAS No. 151, "Inventory Costs – an amendment of ARB No. 43, Chapter 4." SFAS No. 151 requires abnormal amounts of idle facility expense, freight, handling costs and wasted material (spoilage) to be recognized as current-period charges. It also requires that the allocation of fixed production overheads to the costs of conversion be based on the normal capacity of the production facilities. SFAS No. 151 will be effective for inventory costs incurred by Ball beginning on January 1, 2006. Ball believes that the potential future impact, if any, of SFAS No. 151 will not be significant to its consolidated financial statements.

3. Business Segment Information

Ball's operations are organized and reviewed by management along its product lines in three reportable segments – North American packaging, international packaging and aerospace and technologies. We also have investments in companies in the U.S., People's Republic of China (PRC) and Brazil, which are accounted for under the equity method of accounting and, accordingly, those results are not included in segment sales or earnings. The accounting policies of the segments are the same as those in the unaudited condensed consolidated financial statements. A discussion of the company's critical and significant accounting policies can be found in Ball's annual report.

North American Packaging

North American packaging consists of operations in the U.S. and Canada, which manufacture metal and polyethylene terephthalate (PET) plastic containers, primarily for use in beverage and food packaging.

International Packaging

International packaging, with operations in several countries in Europe and the PRC, includes the manufacture and sale of metal beverage containers in Europe and Asia, as well as plastic containers in Asia.

Aerospace and Technologies

Aerospace and technologies includes the manufacture and sale of aerospace and other related products and services used primarily in the defense, civil space and commercial space industries.

3. Business Segment Information *(continued)*

Summary of Business by Segment *($ in millions)*	Three Months Ended		Six Months Ended	
	July 3, 2005	July 4, 2004	July 3, 2005	July 4, 2004
Net Sales				
North American metal beverage	$ 664.5	$ 663.8	$ 1,208.6	$ 1,213.1
North American metal food	179.1	173.9	363.3	319.0
North American plastic containers	133.4	107.7	249.2	200.7
Total North American packaging	977.0	945.4	1,821.1	1,732.8
Europe metal beverage	352.4	319.0	608.2	561.0
Asia metal beverage and plastic containers	41.9	32.5	84.1	74.3
Total international packaging	394.3	351.5	692.3	635.3
Aerospace and technologies	180.7	170.3	362.7	330.6
Net sales	**$ 1,552.0**	**$ 1,467.2**	**$ 2,876.1**	**$ 2,698.7**
Net Earnings				
North American packaging	$ 74.9	$ 91.4	$ 153.2	$ 158.0
Business consolidation costs	(8.8)	–	(8.8)	–
Total North American packaging (Note 5)	66.1	91.4	144.4	158.0
International packaging	58.2	62.1	88.5	89.7
Aerospace and technologies	14.9	12.0	23.8	23.2
Segment earnings before interest and taxes	139.2	165.5	256.7	270.9
Corporate undistributed expenses, net	(7.7)	(11.7)	(14.3)	(23.0)
Earnings before interest and taxes	**131.5**	**153.8**	**242.4**	**247.9**
Interest expense	(24.3)	(25.0)	(50.1)	(53.3)
Tax provision	(32.9)	(40.8)	(62.7)	(62.3)
Minority interests	(0.3)	(0.2)	(0.5)	(0.5)
Equity in results of affiliates	5.0	2.9	8.5	5.7
Net earnings	**$ 79.0**	**$ 90.7**	**$ 137.6**	**$ 137.5**

($ in millions)	As of July 3, 2005	As of December 31, 2004
Total Assets		
North American packaging	$ 2,615.5	$ 2,459.8
International packaging	2,117.7	2,255.8
Aerospace and technologies	235.6	210.3
Segment eliminations	(738.4)	(767.3)
Segment assets	4,230.4	4,158.6
Corporate assets, net of eliminations	199.6	319.1
Total assets	$ 4,430.0	$ 4,477.7

4. Acquisitions

On March 17, 2004, Ball acquired ConAgra Grocery Products Company's (ConAgra) interest in Ball Western Can for a total consideration of $30 million, comprised of $17 million in cash and a $13 million long-term note. Ball Western Can, located in Oakdale, California, was established in 2000 as a 50/50 joint venture between Ball and ConAgra and, prior to the acquisition, was accounted for by Ball under the equity method of accounting. The acquisition has been accounted for as a purchase and, accordingly, its results have been consolidated in our financial statements from the acquisition date. Contemporaneous with the acquisition, Ball and ConAgra's parent company, ConAgra Foods Inc., entered into a long-term agreement under which Ball will provide metal food containers to ConAgra manufacturing locations in California. The acquisition of Ball Western Can was not significant to the North American packaging segment.

5. Business Consolidation Costs

The company announced in May 2005 plans to close by the end of 2005 a three-piece food can manufacturing plant in Quebec. A pretax charge of $8.8 million ($5.9 million after tax) was recorded in the second quarter of 2005 in connection with the closure. The accrual includes $3.2 million for employee severance, pension and other employee benefit costs, $0.9 million for decommissioning costs to ready the plant for sale and $4.7 million for the write-down to net realizable value of fixed and other assets. When all assets are disposed of, management expects the plant closure to be cash flow positive. A total of 77 employees are expected to be terminated.

At July 3, 2005, accruals of $7.8 million remain in the consolidated balance sheets related to PRC business consolidation activities commenced prior to 2002. The accruals have been reduced by cash payments of $1.3 million made during the second quarter of 2005. The remaining accruals are primarily for tax matters, for which tax clearances from the applicable authorities are required during the formal liquidation process. Subsequent changes to the estimated costs of the PRC business consolidation activities, if any, will be included in current-period earnings and identified as net business consolidation gains or costs.

At July 3, 2005, and December 31, 2004, accruals of €3.8 million remain in the consolidated balance sheets for the 2003 closure of a United Kingdom beverage can plant, as well as a line conversion and line shut down at German plants. The accruals include €3.2 million of pension and early retirement benefits to be paid in future periods and €0.6 million of decommissioning costs. Subsequent decreases to these estimated costs, if any, will reduce goodwill, as these costs were accounted for in the acquisition balance sheet.

6. Receivables

A receivables sales agreement provides for the ongoing, revolving sale of a designated pool of trade accounts receivable of Ball's North American packaging operations, up to $200 million (increased to $225 million in mid-July 2005). The agreement qualifies as off-balance sheet financing under the provisions of SFAS No. 140. Net funds received from the sale of the accounts receivable totaled $200 million at July 3, 2005, and $174.7 million at December 31, 2004.

7. Inventories

($ in millions)	July 3, 2005	December 31, 2004
Raw materials and supplies	$ 214.0	$ 256.5
Work in process and finished goods	443.6	373.0
	$ 657.6	$ 629.5

8. Property, Plant and Equipment

($ in millions)	July 3, 2005	December 31, 2004
Land	$ 78.9	$ 81.7
Buildings	742.0	735.4
Machinery and equipment	2,190.2	2,157.4
	3,011.1	2,974.5
Accumulated depreciation	(1,506.6)	(1,442.1)
	$ 1,504.5	$ 1,532.4

Property, plant and equipment are stated at historical cost. Depreciation expense amounted to $50.1 million and $100.5 million for the three months and six months ended July 3, 2005, respectively, and $48.9 million and $99.5 million for the three months and six months ended July 4, 2004, respectively. The change in the net property, plant and equipment balance is the result of capital spending offset by depreciation and changes in foreign exchange rates.

9. Goodwill

($ in millions)	North American Packaging	International Packaging	Total
Balance at December 31, 2004	$ 358.2	$ 1,051.8	$ 1,410.0
Purchase accounting adjustments	(1.8)	(0.4)	(2.2)
Effects of foreign exchange rates	1.9	(121.8)	(119.9)
Balance at July 3, 2005	$ 358.3	$ 929.6	$ 1,287.9

In accordance with SFAS No. 142, goodwill is not amortized but instead tested annually for impairment. There has been no goodwill impairment since the adoption of SFAS No. 142 on January 1, 2002.

10. Intangibles and Other Assets

($ in millions)	July 3, 2005	December 31, 2004
Investments in affiliates	$ 63.8	$ 83.1
Prepaid pension and related intangible assets	47.8	48.0
Intangibles (net of accumulated amortization of $47.1 at July 3, 2005, and $44 at December 31, 2004)	48.7	58.2
Deferred financing costs	23.0	26.9
Other	89.5	73.5
	$ 272.8	$ 289.7

Total amortization expense of intangible assets amounted to $2.9 million and $5.9 million for the three months and six months ended July 3, 2005, respectively, and $3.3 million and $6.5 million for the comparable periods in 2004, respectively.

In the first quarter of 2005, selling, general and administrative expenses included $3.8 million for the write down to net realizable value of an equity investment in an aerospace company. The remaining carrying amount of $14 million has been reclassified to other current assets as the investment is expected to be sold. Also included in the first quarter of 2005 was an expense of $3.4 million for the full write off of an investment in a joint venture in the PRC. In the fourth quarter of 2004, the company recorded a $15.2 million equity earnings loss from the same joint venture related to a bad debt provision. Information learned late in the first quarter of 2005 led the company to conclude that it will not recover the remaining carrying value of this investment.

11. Debt and Interest Costs

Long-term debt consisted of the following:

(in millions)	July 3, 2005 In Local Currency	July 3, 2005 In U.S. $	December 31, 2004 In Local Currency	December 31, 2004 In U.S. $
Notes Payable				
7.75% Senior Notes due August 2006	$ 297.0	$ 297.0	$ 300.0	$ 300.0
6.875% Senior Notes due December 2012 (excluding premium of $4 in 2005 and $4.3 in 2004)	$ 550.0	550.0	$ 550.0	550.0
Senior Credit Facilities (at variable rates)				
Term Loan A, euro denominated due December 2007	€ 60.0	71.7	€ 72.0	97.7
Term Loan A, British sterling denominated due December 2007	£ 39.5	69.8	£ 47.4	90.9
Term Loan B, euro denominated due December 2009	€ 231.5	276.6	€ 232.7	315.6
Term Loan B, U.S. dollar denominated due December 2009	$ 184.1	184.1	$ 185.0	185.0
Multi-currency revolver, U.S. dollar equivalent	$ 145.0	145.0	–	–
European Bank for Reconstruction and Development Loans				
Floating rates due October 2009	€ 20.0	23.9	€ 20.0	27.1
Industrial Development Revenue Bonds				
Floating rates due through 2011	$ 16.0	16.0	$ 24.0	24.0
Other	Various	21.8	Various	26.7
		1,655.9		1,617.0
Less: Current portion of long-term debt		(67.9)		(79.3)
		$ 1,588.0		$ 1,537.7

At July 3, 2005, taking into account outstanding letters of credit, approximately $271 million was available under the multi-currency revolving credit facilities, which provide for up to $450 million in U.S. dollar equivalents. The company also had short-term uncommitted credit facilities of up to $274 million at July 3, 2005, of which $97.5 million was outstanding and due on demand.

During the first quarter of 2004, Ball repaid €31 million ($38 million) of the euro denominated Term Loan B and reduced the interest rate by 50 basis points. Interest expense during the first quarter of 2004 included $0.5 million for the write off of unamortized financing costs associated with the repaid loan.

The notes payable and senior credit facilities are guaranteed on a full, unconditional and joint and several basis by certain of the company's wholly owned domestic subsidiaries. Certain tranches of the senior credit facilities are similarly guaranteed by certain of the company's wholly owned foreign subsidiaries. The notes payable and senior credit facilities contain certain covenants and restrictions including, among other things, limits on the incurrence of additional indebtedness and limits on the amount of restricted payments, such as dividends and share repurchases. Exhibit 20 contains condensed, consolidating financial information for the company, segregating the guarantor subsidiaries and non-guarantor subsidiaries. Separate financial statements for the guarantor subsidiaries and the non-guarantor subsidiaries are not presented because management has determined that such financial statements would not be material to investors.

The company was not in default of any loan agreement at July 3, 2005, and has met all debt payment obligations.

12. Income Taxes

On October 22, 2004, the Jobs Act was enacted. It provides certain domestic companies a temporary opportunity to repatriate previously undistributed earnings of controlled foreign subsidiaries at a reduced federal tax rate, approximating 5.25 percent. The reduced rate is achieved via an 85 percent dividends received deduction on earnings repatriated during a one-year period on or before December 31, 2005. To qualify for the deduction, the repatriated earnings must be reinvested in the United States pursuant to a domestic reinvestment plan approved, in advance of distribution, by the company's chief executive officer (CEO) and subsequently approved by the company's board of directors. Certain other criteria in the Jobs Act must be satisfied as well.

In July 2005 the company's CEO approved a foreign dividend and capital distribution plan that includes the repatriation of undistributed earnings of certain of its foreign subsidiaries during the third and fourth quarters of 2005. Fluctuations in foreign exchange rates and the impact of expected additional technical guidance will not allow determination of final distribution amounts until the distributions are made. Under this plan, the expected distribution is approximately $500 million, of which approximately $390 million is taxable and subject to the provisions of the Jobs Act. The expected tax cost of the distribution is estimated to be $16 million. The tax provision in the consolidated statement of earnings will not increase as this incremental tax cost will be more than offset by the release of approximately $21.6 million of accrued taxes on prior year unremitted foreign earnings, resulting in an estimated net decrease in tax expense of $5.6 million.

Had the determination to repatriate these undistributed foreign earnings been made in the three months ended July 3, 2005, the company's tax provision and net earnings for the quarter and six months ended July 3, 2005, would have been:

($ in millions, except per share amounts)	Three Months Ended July 3, 2005	Six Months Ended July 3, 2005
As reported:		
Tax provision	$ 32.9	$ 62.7
Effective tax rate expressed as a percentage of pretax earnings	30.7%	32.6%
Net earnings	$ 79.0	$ 137.6
Basic earnings per share	$ 0.72	$ 1.24
Diluted earnings per share	$ 0.71	$ 1.22
Pro forma:		
Tax provision	$ 27.3	$ 57.1
Effective tax rate expressed as a percentage of pretax earnings	25.5%	29.7%
Net earnings	$ 84.6	$ 143.2
Basic earnings per share	$ 0.77	$ 1.30
Diluted earnings per share	$ 0.76	$ 1.27

13. Employee Benefit Obligations

($ in millions)	July 3, 2005	December 31, 2004
Total defined benefit pension liability	$ 455.7	$ 488.5
Less current portion	(18.8)	(29.9)
Long-term defined benefit pension liability	436.9	458.6
Retiree medical and other post-employment benefits	139.9	133.8
Deferred compensation plans	124.5	117.6
Other	17.5	24.3
	$ 718.8	$ 734.3

Components of net periodic benefit cost associated with the company's defined benefit pension plans were:

	Three Months Ended					
	July 3, 2005			July 4, 2004		
($ in millions)	U.S.	Foreign	Total	U.S.	Foreign	Total
Service cost	$ 6.1	$ 2.1	$ 8.2	$ 5.5	$ 2.1	$ 7.6
Interest cost	10.1	7.0	17.1	9.5	7.0	16.5
Expected return on plan assets	(11.6)	(3.6)	(15.2)	(11.0)	(3.2)	(14.2)
Amortization of prior service cost	1.2	(0.1)	1.1	1.1	(0.1)	1.0
Recognized net actuarial loss	3.8	0.6	4.4	3.2	0.3	3.5
Net periodic benefit cost	$ 9.6	$ 6.0	$ 15.6	$ 8.3	$ 6.1	$ 14.4

	Six Months Ended					
	July 3, 2005			July 4, 2004		
($ in millions)	U.S.	Foreign	Total	U.S.	Foreign	Total
Service cost	$ 12.1	$ 4.3	$ 16.4	$ 11.0	$ 4.3	$ 15.3
Interest cost	20.1	14.3	34.4	18.9	14.2	33.1
Expected return on plan assets	(23.1)	(7.3)	(30.4)	(21.9)	(6.3)	(28.2)
Amortization of prior service cost	2.4	(0.1)	2.3	2.0	–	2.0
Recognized net actuarial loss	7.7	1.1	8.8	6.4	0.6	7.0
Net periodic benefit cost	$ 19.2	$12.3	$ 31.5	$ 16.4	$12.8	$ 29.2

Contributions to the company's global defined benefit pension plans, not including the unfunded German plans, were $9.1 million in the first six months of 2005. The total contributions to these funded plans are expected to be approximately $17 million for 2005. Actual contributions may vary upon revaluation of the plans' liabilities later in 2005. Payments to participants in the unfunded German plans were €8.5 million ($11 million) in the first six months of 2005 and are expected to be approximately €18 million for the full year (approximately $23 million).

14. Shareholders' Equity

On January 31, 2005, in a privately negotiated stock repurchase transaction, Ball entered into a forward purchase agreement to repurchase 3 million of its common shares at an initial price of $42.72 per share using cash on hand and available borrowings. The price per share was subject to a price adjustment based on a weighted average price calculation for the period between the initial purchase date and the settlement date. The company previously reported in its Annual Report on Form 10-K for the year ended December 31, 2004, within Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Item 8, "Financial Statements and Supplementary Data," that the purchase of the 3 million shares occurred on January 31, 2005, with the immediate reduction of Ball's outstanding shares. The reduction of shares was reflected in the number of outstanding shares disclosed on the cover page of the Form 10-K. Subsequent to the close of the first quarter, the company, upon further review of the transaction, concluded that the shares purchased under the contract should not reduce the outstanding shares, nor affect earnings per share, until actual delivery of the shares to the company. The company completed its purchase of the 3 million shares at an average price of $41.63 per share and obtained delivery of the shares in early May 2005. Aggregate net purchases under the company's share repurchase program are expected to exceed $200 million during 2005.

Accumulated Other Comprehensive Earnings (Loss)

Accumulated other comprehensive earnings (loss) includes the cumulative effect of foreign currency translation, additional minimum pension liability and realized and unrealized gains and losses on derivative instruments receiving cash flow hedge accounting treatment.

($ in millions)	Foreign Currency Translation	Minimum Pension Liability*(a)* (net of tax)	Effective Financial Derivatives*(b)* (net of tax)	Accumulated Other Comprehensive Earnings (Loss)
December 31, 2004	$ 148.9	$ (126.3)	$ 10.6	$ 33.2
Change	(81.8)	–	(5.7)	(87.5)
July 3, 2005	$ 67.1	$ (126.3)	$ 4.9	$ (54.3)

(a) The minimum pension liability is adjusted annually as of December 31.
(b) Refer to Item 3, "Quantitative and Qualitative Disclosures About Market Risk," for a discussion of the company's use of derivative financial instruments.

The following table summarizes total comprehensive earnings for 2005 and 2004:

	Three Months Ended		Six Months Ended	
($ in millions)	July 3, 2005	July 4, 2004	July 3, 2005	July 4, 2004
Comprehensive Earnings				
Net earnings	$ 79.0	$ 90.7	$ 137.6	$ 137.5
Foreign currency translation adjustment	(52.7)	13.2	(81.8)	(13.8)
Effect of derivative instruments	(8.4)	(4.0)	(5.7)	7.9
Comprehensive earnings	$ 17.9	$ 99.9	$ 50.1	$ 131.6

14. Shareholders' Equity *(continued)*

Stock-Based Compensation Programs

Ball adopted a deposit share program in March 2001 that, by matching purchased shares with restricted shares, encourages certain senior management employees and outside directors to invest in Ball stock. In general, restrictions on the matching shares lapse at the end of four years from date of grant, or earlier if established share ownership guidelines are met, assuming the relevant qualifying purchased shares are not sold or transferred prior to that time. This plan is accounted for as a variable plan where compensation expense is recorded based upon the current market price of the company's common stock until restrictions lapse. The company recorded zero and $2.1 million of expense in connection with this program in the second quarter and six months ended July 3, 2005, respectively, and $3.1 million and $8.4 million for the comparable periods of 2004, respectively. The variances in expense recorded are the result of the timing and vesting of the share grants, as well as changes in the price of Ball stock. The deposit share program was amended and restated in April 2004 and further awards have been made.

Prior to passage of the Sarbanes-Oxley Act of 2002 (the Act), Ball guaranteed loans made by a third party bank to certain participants in the deposit share program, of which $1.6 million of grandfathered loans were outstanding at July 3, 2005. In the event of a participant default, Ball would pursue payment from the participant. The Act provides that companies may no longer guarantee such loans for its executive officers. In accordance with the provisions of the Act, the company has not and will not guarantee any additional loans to its executive officers.

The company has stock option plans under which options to purchase shares of common stock have been granted to officers and employees at the market value of the stock at the date of grant. In general, options are exercisable in four equal installments commencing one year from the date of grant. The options terminate 10 years from the date of grant. At July 3, 2005, there were 4,973,024 options outstanding under these plans at a weighted average exercise price of $21.51 per share, of which 3,289,349 options were exercisable at a weighted average exercise price of $15.32 per share.

15. Earnings Per Share

	Three Months Ended		Six Months Ended	
($ in millions, except per share amounts)	July 3, 2005	July 4, 2004	July 3, 2005	July 4, 2004
Diluted Earnings per Share:				
Net earnings	$ 79.0	$ 90.7	$ 137.6	$ 137.5
Weighted average common shares *(000s)*	109,526	110,736*(a)*	110,589	111,048*(a)*
Effect of dilutive stock options	1,957	2,964*(a)*	2,091	2,970*(a)*
Weighted average shares applicable to diluted earnings per share	111,483	113,700*(a)*	112,680	114,018*(a)*
Diluted earnings per share	$ 0.71	$ 0.80*(a)*	$ 1.22	$ 1.21*(a)*

(a) Amounts have been retroactively restated for a two-for-one stock split which occurred on August 23, 2004.

For 2005 and 2004, 714,650 outstanding options and 498,900 outstanding options, respectively, were excluded from the diluted earnings per share calculation since they were anti-dilutive (i.e., the exercise price was higher than the average closing market price of common stock for the period). Information needed to compute basic earnings per share is provided in the consolidated statements of earnings.

16. Subsequent Event

In July 2005 Ball commenced a project to upgrade and streamline its North American beverage can end manufacturing capabilities, a project that is expected to result in productivity gains and cost reductions. In connection with these activities, the company expects to record an after-tax charge of between $15 million and $25 million when the project plan is finalized in either the third or fourth quarter of 2005.

17. Contingencies

The company is subject to various risks and uncertainties in the ordinary course of business due, in part, to the competitive nature of the industries in which the company participates. We do business in countries outside the U.S., have changing commodity prices for the materials used in the manufacture of our packaging products and participate in changing capital markets. Where management considers it warranted, we reduce certain risks and uncertainties through the establishment of risk management policies and procedures, including, at times, the use of various derivative financial instruments.

From time to time, the company is subject to routine litigation incident to its businesses. Additionally, the U.S. Environmental Protection Agency has designated Ball as a potentially responsible party, along with numerous other companies, for the cleanup of several hazardous waste sites. Our information at this time does not indicate that these matters will have a material adverse effect upon the liquidity, results of operations or financial condition of the company.

Due to political and legal uncertainties in Germany, no nationwide system for returning beverage containers was in place at the time a mandatory deposit was imposed in January 2003 and nearly all retailers stopped carrying beverages in non-refillable containers. During 2004 and 2003, we responded to the resulting lower demand for beverage cans by reducing production at our German plants, implementing aggressive cost reduction measures and increasing exports from Germany to other European countries. We also closed a plant in the United Kingdom, shut down a production line in Germany, delayed capital investment projects in France and Poland and converted one of our steel can production lines in Germany to aluminum in order to facilitate additional can exports from Germany. In 2004 the German parliament adopted a new packaging ordinance, imposing a 25 eurocent deposit on all one-way glass, PET and metal containers for water, beer and carbonated soft drinks. As of May 1, 2006, all retailers must redeem all returned one-way containers as long as they sell such containers. A fundamental change seems to be occurring in the reaction of major retailers, who now appear to accept the deposit as permanent. Retailers also appear to have concluded a workable one-way system is needed and over time they are expected to move volumes back towards one-way containers, although the timing and magnitude of such a move is uncertain. Retailers are working with fillers and the packaging industry on a return system.

18. Indemnifications and Guarantees

During the normal course of business, the company or its appropriate consolidated direct or indirect subsidiaries have made certain indemnities, commitments and guarantees under which the specified entity may be required to make payments in relation to certain transactions. These indemnities, commitments and guarantees include indemnities to the customers of the subsidiaries in connection with the sales of their packaging and aerospace products and services, guarantees to suppliers of direct or indirect subsidiaries of the company guaranteeing the performance of the respective entity under a purchase agreement, indemnities for liabilities associated with the infringement of third party patents, trademarks or copyrights under various types of agreements, indemnities to various lessors in connection with facility, equipment, furniture and other personal property leases for certain claims arising from such leases, indemnities to governmental agencies in connection with the issuance of a permit or license to the company or a subsidiary, indemnities pursuant to agreements relating to certain joint ventures, indemnities in connection with the sale of businesses or substantially all of the assets and specified liabilities of businesses, and indemnities to directors, officers and employees of the company to the extent permitted under the laws of the State of Indiana and the United States of America. The duration of these indemnities, commitments and guarantees varies, and in certain cases, is indefinite. In addition, the majority of these indemnities, commitments and guarantees do not provide for any limitation on the maximum potential future payments the company could be obligated to make. As such, the company is unable to reasonably estimate its potential exposure under these items.

The company has not recorded any liability for indemnities, commitments and guarantees in the accompanying consolidated balance sheets. The company does, however, accrue for payments under promissory notes and other evidences of incurred indebtedness and for losses for any known contingent liability, including those that may arise from indemnifications, commitments and guarantees, when future payment is both reasonably determinable and probable. Finally, the company carries specific and general liability insurance policies and has obtained indemnities, commitments and guarantees from third party purchasers, sellers and other contracting parties, which the company believes would, in certain circumstances, provide recourse to any claims arising from these indemnifications, commitments and guarantees.

The company’s senior notes and senior credit facilities are guaranteed on a full, unconditional and joint and several basis by certain of the company’s wholly owned domestic subsidiaries. Certain tranches of the senior credit facilities are similarly guaranteed by certain of the company’s wholly owned foreign subsidiaries. These guarantees are required in support of the notes and credit facilities referred to above, are co-terminous with the terms of the respective note indentures and credit agreement and would require performance upon certain events of default referred to in the respective guarantees. The maximum potential amounts which could be required to be paid under the guarantees are essentially equal to the then outstanding principal and interest under the respective notes and credit agreement, or under the applicable tranche. The company is not in default under the above notes or credit facilities.

Ball Capital Corp. II is a separate, wholly owned corporate entity created for the purchase of receivables from certain of the company’s wholly owned subsidiaries. Ball Capital Corp. II’s assets will be available first and foremost to satisfy the claims of its creditors. The company has provided an undertaking to Ball Capital Corp. II in support of the sale of receivables to a commercial lender or lenders which would require performance upon certain events of default referred to in the undertaking. The maximum potential amount which could be paid is equal to the outstanding amounts due under the accounts receivable financing (see Note 6). The company, the relevant subsidiaries and Ball Capital Corp. II are not in default under the above credit arrangement.

From time to time, the company is subject to claims arising in the ordinary course of business. In the opinion of management, no such matter, individually or in the aggregate, exists which is expected to have a material adverse effect on the company’s consolidated results of operations, financial position or cash flows.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's discussion and analysis should be read in conjunction with the unaudited condensed consolidated financial statements and the accompanying notes. Ball Corporation and subsidiaries are referred to collectively as "Ball" or the "company" or "we" and "our" in the following discussion and analysis.

BUSINESS OVERVIEW

Ball Corporation is one of the world's leading suppliers of metal and plastic packaging to the beverage and food industries. Our packaging products are produced for a variety of end uses and are currently manufactured in approximately 50 plants around the world. We also supply aerospace and other technologies and services to governmental and commercial customers.

We sell our packaging products primarily to major beverage and food producers with which we have developed long-term customer relationships. This is evidenced by our high customer retention and our large number of long-term supply contracts. While we have diversified our customer base, we do sell a majority of our packaging products to relatively few major beverage and food companies in North America, Europe and the People's Republic of China (PRC), as do our equity joint ventures in Brazil and the U.S. We also purchase raw materials from relatively few suppliers. Because of our customer and supplier concentration, our business, financial condition and results of operations could be adversely affected by the loss of a major customer or supplier or a change in a supply agreement with a major customer or supplier, although our long-term relationships and contracts mitigate these risks.

In the rigid packaging industry, sales and earnings can be improved by reducing costs, developing new products, volume expansion and increasing pricing where possible. We are in the early stages of a project to upgrade and streamline our North American beverage can end manufacturing capabilities, a project that will result in productivity gains and cost reductions. While the U.S. and Canadian beverage container manufacturing industry is relatively mature, the European, PRC and Brazilian beverage can markets are growing (excluding the effects of the German mandatory deposit discussed in Note 17 to the consolidated financial statements) and are expected to continue to grow. We are capitalizing on this growth by continuing to reconfigure some of our European can manufacturing lines and by having constructed a new beverage can manufacturing plant near Belgrade, Serbia.

Ball's consolidated earnings are exposed to foreign exchange rate fluctuations. We attempt to mitigate this exposure through the use of derivative financial instruments, as discussed in "Quantitative and Qualitative Disclosures About Market Risk" within Item 3 of this report.

As part of our packaging strategy, we are focused on developing and marketing new and existing products that meet the ever-expanding needs of our beverage and food customers. These innovations include new shapes, sizes, opening features and other functional benefits of both metal and plastic packaging. This packaging development activity helps us maintain and expand our supply positions with major beverage and food customers.

The primary customers for the products and services provided by our aerospace and technologies segment are U.S. government agencies or their prime contractors. It is possible that federal budget reductions or changes in agency budgets could limit future funding and new contract awards or prolong contract performance.

We recognize sales under long-term contracts in the aerospace and technologies segment using the cost-to-cost, percentage of completion method of accounting. Our present contract mix consists of approximately two-thirds cost-plus contracts, which are billed at our costs plus an agreed upon and/or earned profit component, and approximately one-third fixed price contracts. We include time and material contracts in the fixed price category because such contracts typically provide for the sale of engineering labor at fixed hourly rates.

Throughout the period of contract performance, we regularly reevaluate and, if necessary, revise our estimates of total contract revenue, total contract cost and progress toward completion. Because of contract payment schedules, limitations on funding and other contract terms, our sales and accounts receivable for this segment include amounts that have been earned but not yet billed.

Management uses various measures to evaluate company performance. The primary financial measures we use are earnings before interest and taxes (EBIT), earnings before interest, taxes, depreciation and amortization (EBITDA), diluted earnings per share, economic value added (operating earnings, as defined by the company, less its cost of capital), operating cash flow and free cash flow (generally defined by the company as cash flow from operating activities less capital expenditures). These financial measures may be adjusted at times for items that affect comparability between periods. Nonfinancial measures in the packaging segments include production spoilage rates, quality control measures, safety statistics and production and shipment volumes. Additional measures used to evaluate performance in the aerospace and technologies segment include contract revenue realization, award and incentive fees realized, proposal win rates and backlog (including awarded, contracted and funded backlog).

We recognize that attracting and retaining quality employees is critically important to the success of Ball and, because of this, we strive to pay employees competitively and encourage their prudent ownership of the company's common stock. For most management employees, a meaningful portion of compensation is at risk as an incentive, dependent upon economic value added operating performance. For more senior positions, more compensation is at risk. Through our employee stock purchase plan and 401(k) plan, which matches employee contributions with Ball common stock, many employees, regardless of organizational level, have opportunities to participate as Ball shareholders.

In 2004 the company's board of directors declared a two-for-one stock split. The distribution date for the stock split was August 23, 2004, for shareholders of record on August 4, 2004. Ball's board also authorized the repurchase of up to 12 million of the company's post-split shares, of which 6.7 million shares remain at July 3, 2005. This authorization replaced all previous authorizations.

CONSOLIDATED SALES AND EARNINGS

Ball's operations are organized along its product lines and include three segments – North American packaging, international packaging and aerospace and technologies. We also have investments in companies in the U.S., PRC and Brazil, which are accounted for using the equity method of accounting and, accordingly, those results are not included in segment sales or earnings.

North American Packaging

North American packaging consists of operations located in the U.S. and Canada which manufacture metal container products used primarily in beverage and food packaging, and polyethylene terephthalate (PET) plastic container products, used principally in beverage packaging. This segment accounted for 63 percent of consolidated net sales in the second quarter and first six months of 2005.

Metal Beverage Container Sales

North American metal beverage container sales, which represented 68 percent of North American packaging segment sales in the second quarter of 2005 and 66 percent in the first six months, were essentially flat compared to the same periods of 2004. Lower sales volumes were offset by higher aluminum prices which are being passed through to our customers. Metal beverage container year-to-date volumes were 5 percent below last year's levels as a result of poor weather in the first quarter, general softness in the beer and soft drink markets and lower volumes as certain customer contracts were being negotiated and extended. These negotiations resulted in agreements which, on a net basis, should restore those volumes for 2006 and beyond. We continue to focus efforts on the growing custom beverage can business, which includes cans of different shapes, diameters and fill volumes, and cans with added functional attributes for new products and product line extensions. The conversion of a manufacturing line in our Golden, Colorado, plant from 12-ounce to 24-ounce cans, which reduced our 12-ounce can manufacturing capacity, was completed in the second quarter of 2005. We have also announced plans to convert a line in our Monticello, Indiana, plant from 12-ounce can manufacturing to a line capable of

producing beverage cans in sizes up to 16 ounces. This conversion is expected to be completed in the fourth quarter of 2006. We expect to convert additional lines in our plants as the demand for cans in other than the standard 12-ounce size grows.

Metal Food Container Sales

North American metal food container sales, which comprised 18 percent of segment sales in the second quarter of 2005 and 20 percent in the first six months, were 3 percent and 14 percent above the same periods in 2004, respectively. Sales in the second quarter and first six months of 2005 reflected higher prices from the pass through of higher raw material costs. Sales volumes in the second quarter were 5 percent lower compared to a year ago. Through the first six months of 2005, sales volumes were higher than in the first six months of 2004 as a result of prebuying by customers in the first quarter in anticipation of announced steel price increases. Sales benefited in the first quarter of 2005 from the inclusion of a full quarter's results from our Oakdale, California, facility which was acquired in March 2004 (see Note 4 within Item 1 of this report), increased volumes including some pre-buying by our customers and higher selling prices.

Plastic Container Sales

Plastic container sales, which accounted for 14 percent of segment sales in the second quarter and first six months of 2005, were 24 percent higher than in the comparable periods of 2004. The sales increase was related to the pass through to our customers of resin price increases that went into effect after the first quarter of 2004, as well as 6 percent year-to-date higher sales volumes in 2005 compared to 2004 related in part to higher demand for barrier and heat-set containers that provide longer shelf-life for products. Strong demand for plastic water bottles also contributed to the increased sales. We continue to focus sales efforts in the custom hot-fill and beer container sales markets.

North American Packaging Segment Earnings

Segment earnings in the North American packaging segment in the second quarter of 2005 included a pretax charge of $8.8 million ($5.9 million after tax) for the closure of a three-piece food can manufacturing plant in Quebec. This action was taken to better match capacity to demand. The closure of the Quebec plant is expected to be completed by the end of 2005 and to result in the termination of 77 employees.

Segment earnings were 28 percent lower in the second quarter of 2005 and 9 percent lower in the first six months compared to the same periods in 2004, of which 10 percent and 6 percent, respectively, were due to the Canadian plant closure costs. Additionally, the lower earnings in the second quarter were attributable to lower sales volumes, higher freight costs from fuel surcharges, higher costs associated with brokered custom cans to meet increased demand and higher other direct material and utility costs. The higher earnings in the first quarter were the result of higher food can and plastic container sales, improved product mix, manufacturing cost reduction programs and lower selling, general and administrative costs. While pricing pressures continue on all of our raw materials, other direct materials, and freight and utility costs, we continue to work with both customers and suppliers to maintain our volumes, as well as preserve our margins.

In July 2005 Ball commenced a project to upgrade and streamline its North American beverage can end manufacturing capabilities, a project that is expected to result in productivity gains and cost reductions. In connection with these activities, the company expects to record an after-tax charge of between $15 million and $25 million when the project plan is finalized in either the third or fourth quarter of 2005.

International Packaging

International packaging includes the manufacture of metal beverage containers in Europe and Asia as well as the manufacture of plastic containers in Asia. This segment accounted for 25 percent of consolidated net sales in the second quarter of 2005 and 24 percent through the first six months.

Segment sales were 12 percent higher in the second quarter of 2005 compared to a year ago and 9 percent higher in the first six months. Increased European sales reflected a stronger euro and stronger sales volumes, due in part to warmer than average weather in Europe, the introduction of our Sleek Can into the market, higher volumes of custom can sizes and continued strong growth in southern and eastern Europe. In response to increased demand for custom cans in Europe, a steel can manufacturing line in the Netherlands was converted to aluminum during the first quarter of 2005. The construction of a new beverage can plant near Belgrade, Serbia, was completed near the end of the second quarter of 2005 to serve the growing demand for beverage cans in southern and eastern Europe. Additionally, in the first quarter of 2004, a steel can manufacturing line in Germany was converted to production of aluminum cans.

Higher sales in the PRC were driven by increased sales volumes. The overall beverage can market in the PRC was also strong through the first six months of 2005.

International Packaging Segment Earnings

International packaging segment earnings decreased 6 percent in the second quarter of 2005 compared to the same period in 2004. The decrease in earnings was due to higher transportation costs, as a result of increased logistics costs of inter-country sales and higher fuel costs, as well as start up costs related to the converted line in the Netherlands and the new Serbia plant, somewhat offset by lower selling, general and administrative costs and a stronger euro. Earnings for the first six months of 2005 were only slightly down from 2004 even with a $3.4 million expense in the first quarter for the write down to net realizable value of an equity investment in the PRC. In the fourth quarter of 2004, the company recorded a $15.2 million equity earnings loss from the same joint venture related to a bad debt provision. Subsequent developments and information in the first quarter of 2005 led the company to conclude that it will not recover the remaining carrying value.

Aerospace and Technologies

Aerospace and technologies segment sales were $181 million for the second quarter of 2005, slightly below the first quarter record of $182 million, and represented 12 percent of consolidated net sales in the second quarter of 2005 and 13 percent in the first six months. Sales were 6 percent higher in the second quarter of 2005 than in the second quarter of 2004 and 10 percent higher in the first six months. The higher 2005 sales resulted from a combination of newly awarded contracts and additions to previously awarded contracts. Earnings were 24 percent higher in the second quarter of 2005 compared to 2004 and were essentially flat in the first six months despite an expense of $3.8 million in the first quarter of 2005 for the write down to net realizable value of an equity investment in an aerospace company. The second quarter earnings improvement was primarily the result of higher sales, improved performance and cost controls.

On July 4, 2005, the Deep Impact spacecraft accomplished its goal of collecting data from comet Tempel 1, 83 million miles from Earth, using an impactor spacecraft to strike the comet and recording the results of the impact with a flyby spacecraft. The Deep Impact mission is expected to provide groundbreaking scientific information regarding the origins of the solar system.

Some of the segment's other high-profile contracts involve: WorldView, an advanced commercial remote sensing satellite; the James Webb Space Telescope, a successor to the Hubble Space Telescope; the Space-Based Space Surveillance System, which will detect and track space objects such as satellites and orbital debris; NPOESS, the next-generation satellite weather monitoring system; and a suite of antennas for the Joint Strike Fighter.

Contracted backlog in the aerospace and technologies segment at July 3, 2005, was $758 million compared to a backlog of $694 million at December 31, 2004. The July 3, 2005, backlog was down from the April 3, 2005, record backlog of $803 million. Comparisons of backlog are not necessarily indicative of the trend of future operations.

For additional information on our segment operations, see the Summary of Business by Segment in Note 3 accompanying the unaudited condensed consolidated financial statements included within Item 1 of this report.

Selling, General and Administrative

Selling, general and administrative expenses were $56 million in the second quarter of 2005 compared to $67.7 million for the same period in 2004 and $119 million in the first six months of 2005 compared to $138.8 million in 2004. Expenses in 2005 were lower in all areas of the company (North America, Europe and the PRC) due largely to lower employee benefit costs, including the company's deposit share program and economic-value-added based incentive compensation plans, and foreign currency hedging gains. These lower costs were partially offset by the write down of the PRC and aerospace equity investments in the first quarter of 2005.

Interest and Taxes

Consolidated interest expense was $24.3 million for the second quarter of 2005 compared to $25 million for the same period last year and $50.1 million for the first six months of 2005 compared to $53.3 million in 2004. The lower expense in 2005 was due to lower average borrowings and higher capitalized interest.

The consolidated effective income tax rate was approximately 32.6 percent for the first six months of 2005 compared to 32 percent for the same period in 2004. The $3.8 million write down of the aerospace investment is not tax deductible while the realization of tax deductibility of the $3.4 million PRC write down, which will be a capital loss, is not reasonably assured as the company does not have, nor does it anticipate, any capital gains to utilize the losses. Therefore, no tax benefit has been provided on the write downs, which is the primary reason for the higher effective tax rate for the first six months of 2005.

As more fully discussed in Note 12 to the consolidated financial statements within Item 1 of this report, the company has determined that during the third and fourth quarters of 2005, it will repatriate the undistributed earnings of certain of its foreign subsidiaries pursuant to the provisions of the recently enacted American Jobs Creation Act of 2004. As outlined in Note 12, the repatriation of these earnings is expected to result in a $5.6 million decrease in the consolidated tax provision resulting in an estimated overall effective tax rate for the year of 31 percent.

As previously reported in the company's 2004 annual report on Form 10-K, in connection with their examination of Ball's consolidated income tax returns for the tax years 2000 and 2001, the Internal Revenue Service (IRS) has proposed to disallow Ball's deductions of interest expense incurred on loans under a company-owned life insurance plan that has been in place for more than 18 years. Ball believes that its interest deductions will be sustained as filed so no provision for loss has been accrued. The case was forwarded to the appeals division of the IRS in July 2005.

NEW ACCOUNTING PRONOUNCEMENTS

For information regarding recent accounting pronouncements, see Note 2 to the unaudited condensed consolidated financial statements within Item 1 of this report.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Cash flow provided by operations was $70.2 million in the first six months of 2005 compared to $100.5 million in the first six months of 2004. The reduction in operating cash flow in 2005 was primarily due to the calculation of an estimated deferred tax benefit of $20.6 million in the first six months of 2005 compared to an estimated deferred tax expense of $17 million in the first six months of 2004. The 2005 deferred tax benefit reflects the impact of planned, reduced funding of the pension plans versus 2004 and estimated bonus and accelerated tax depreciation being significantly less in 2005 than the years 2004 and prior. Positive effects in 2005 included lower receivables and lower inventories compared to the prior year.

Interest-bearing debt increased to $1,753.4 million at July 3, 2005, compared to $1,660.7 million at December 31, 2004. This increase includes $164.4 million for seasonal working capital needs, partially offset by the effects of the lower euro exchange rate. Ball's management expects all of the $164.4 million seasonal working capital build-up will be eliminated by year end. At July 3, 2005, approximately $271 million was available under the company's multi-currency revolving credit facilities. In addition, the company had short-term uncommitted credit facilities of approximately $274 million at the end of the first quarter, of which $97.5 million was outstanding.

On January 31, 2005, in a privately negotiated stock repurchase transaction, Ball entered into a forward purchase agreement to repurchase 3 million of its common shares at an initial price of $42.72 per share using cash on hand and available borrowings. The price per share was subject to a price adjustment based on a weighted average price calculation for the period between the initial purchase date and the settlement date. The company completed its purchase of the 3 million shares at an average price of $41.63 per share and obtained delivery of the shares in early May 2005. Aggregate net purchases under our share repurchase program are expected to exceed $200 million during 2005.

Based on information currently available, we estimate 2005 capital spending to be approximately $300 million compared to 2004 spending of $196 million. During 2005 we are investing capital in our best performing operations, including projects to increase custom can capabilities, improve beverage can end making productivity, convert lines from steel to aluminum in Europe and the completion of a new beverage can manufacturing plant in Belgrade, Serbia, as well as expenditures in the aerospace and technologies segment.

Contributions to the company's defined benefit plans, not including the unfunded German plans, are expected to be approximately $17 million in 2005. This estimate may change based on plan asset performance, the revaluation of the plans' liabilities later in 2005 and revised estimates of 2005 full-year cash flows. Payments to participants in the unfunded German plans are expected to be approximately €18 million for the full year (approximately $23 million).

During the first quarter of 2004, Ball repaid €31 million ($38 million) of the euro denominated Term Loan B and reduced the interest rate by 50 basis points. Interest expense during the first quarter of 2004 included $0.5 million for the write off of unamortized financing costs associated with the repaid loan.

The company has a receivables sales agreement that provides for the ongoing, revolving sale of a designated pool of trade accounts receivable of Ball's North American packaging operations, up to $200 million (increased to $225 million in July 2005). The agreement qualifies as off-balance sheet financing under the provisions of Statement of Financial Accounting Standards No. 140. Net funds received from the sale of the accounts receivable totaled $200 million at July 3, 2005, and $174.7 million at December 31, 2004.

The company was not in default of any loan agreement at July 3, 2005, and has met all debt payment obligations. Additional details about the company's debt and receivables sales agreement are available in Notes 11 and 6, respectively, accompanying the unaudited condensed consolidated financial statements included within Item 1 of this report.

CONTINGENCIES, INDEMNIFICATIONS AND GUARANTEES

Details about the company's contingencies, indemnifications and guarantees are available in Notes 17 and 18 accompanying the unaudited condensed consolidated financial statements included within Item 1 of this report.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In the ordinary course of business, we employ established risk management policies and procedures to reduce our exposure to fluctuations in commodity prices, interest rates, foreign currencies and prices of the company's common stock in regard to common share repurchases. Although the instruments utilized involve varying degrees of credit and interest risk, the counterparties to the agreements are expected to perform fully under the terms of the agreements.

We have estimated our market risk exposure using sensitivity analysis. Market risk exposure has been defined as the changes in fair value of derivative instruments, financial instruments and commodity positions. To test the sensitivity of our market risk exposure, we have estimated the changes in fair value of market risk sensitive instruments assuming a hypothetical 10 percent adverse change in market prices or rates. The results of the sensitivity analysis are summarized below.

Commodity Price Risk

We manage our North American commodity price risk in connection with market price fluctuations of aluminum primarily by entering into can and end sales contracts, which generally include aluminum-based pricing terms that consider price fluctuations under our commercial supply contracts for aluminum purchases. Such terms may include a fixed price or an upper limit to the aluminum component pricing. This matched pricing affects substantially all of our North American metal beverage container net sales. We also, at times, use certain derivative instruments such as option and forward contracts as cash flow hedges of commodity price risk. Outstanding derivative contracts at the end of the second quarter 2005 expire within one year. Included in shareholders' equity at July 3, 2005, within accumulated other comprehensive loss, is approximately $1.5 million of net gain associated with these contracts, all of which is expected to be recognized in the consolidated statement of earnings during the next 12 months. Gains on these derivative contracts will be offset by higher costs on metal purchases.

Our North American plastic container sales contracts include provisions to pass through resin cost changes. As a result, we believe we have minimal, if any, exposure related to changes in the cost of plastic resin. Most North American food container sales contracts either include provisions permitting us to pass through some or all steel cost changes we incur or incorporate annually negotiated steel costs. We anticipate we will be able to pass through the majority of the steel price increases in 2005.

In Europe and Asia the company manages aluminum and steel raw material commodity price risks through annual and long-term contracts for the purchase of the materials, as well as certain sales of containers, that reduce the company's exposure to fluctuations in commodity prices within the current year. These purchase and sales contracts include fixed price, floating and pass-through pricing arrangements. The company also uses forward and option contracts as cash flow hedges to minimize the company's exposure to significant price changes for those sales contracts where there is not a pass-through arrangement. Outstanding derivative contracts at the end of the second quarter 2005 expire within three years. Included in shareholders' equity at July 3, 2005, within accumulated other comprehensive loss, is approximately $1.8 million of net gain associated with these contracts, of which $1 million of income is expected to be recognized in the consolidated statement of earnings during the next 12 months.

Considering the effects of derivative instruments, the market's ability to accept price increases and the company's commodity price exposures, a hypothetical 10 percent adverse change in the company's metal prices could result in an estimated $16.3 million after-tax reduction of net earnings over a one-year period. Additionally, if foreign currency exchange rates were to change adversely by 10 percent, we estimate there could be a $9.1 million after-tax reduction of net earnings over a one-year period for foreign currency exposures on the metal. Actual results may vary based on actual changes in market prices and rates.

The company is also exposed to fluctuations in prices for utilities such as natural gas and electricity. A hypothetical 10 percent increase in our utility prices could result in an estimated $6 million after-tax reduction of net earnings over a one-year period. Actual results may vary based on actual changes in market prices and rates.

Interest Rate Risk

Our objectives in managing exposure to interest rate changes are to limit the effect of such changes on earnings and cash flows and to lower our overall borrowing costs. To achieve these objectives, we use a variety of interest rate swaps and options to manage our mix of floating and fixed-rate debt. Interest rate instruments held by the company at July 3, 2005, included pay-fixed and pay-floating interest rate swaps. Pay-fixed swaps effectively convert variable rate obligations to fixed rate instruments. The majority of the pay-floating swaps, which effectively convert fixed rate obligations to variable rate instruments, are fair value hedges. Swap agreements expire at various times within two years. Approximately $1.3 million of net gain related to the termination or deselection of hedges is included in accumulated other comprehensive loss at July 3, 2005, of which approximately $1.2 million of income is expected to be recognized in the consolidated statement of earnings during the next 12 months.

Based on our interest rate exposure at July 3, 2005, assumed floating rate debt levels through second quarter 2006 and the effects of derivative instruments, a 100 basis point increase in interest rates could result in an estimated $4.9 million after-tax reduction of net earnings over a one-year period. Actual results may vary based on actual changes in market prices and rates and the timing of these changes.

Foreign Currency Exchange Rate Risk

Our objective in managing exposure to foreign currency fluctuations is to protect foreign cash flows and earnings associated with foreign exchange rate changes through the use of cash flow hedges. In addition, we manage foreign earnings translation volatility through the use of foreign currency options. Our foreign currency translation risk results from the European euro, British pound, Canadian dollar, Polish zloty, Chinese renminbi, Brazilian real and Serbian dinar. We face currency exposures in our global operations as a result of purchasing raw materials in U.S. dollars and, to a lesser extent, in other currencies. Sales contracts are negotiated with customers to reflect cost changes and, where there is not a foreign exchange pass-through arrangement, the company uses forward and option contracts to manage foreign currency exposures. Contracts outstanding at the end of the second quarter 2005 expire within one year. At July 3, 2005, there was $0.2 million of net gain from cash flow hedges included in accumulated other comprehensive loss, all of which is expected to be recognized in the consolidated statement of earnings during the next 12 months.

Considering the company's derivative financial instruments outstanding at July 3, 2005, and the currency exposures, a hypothetical 10 percent reduction in foreign currency exchange rates compared to the U.S. dollar could result in an estimated $16.1 million after-tax reduction of net earnings over a one-year period. This amount includes the $9.1 million currency exposure discussed above in the "Commodity Price Risk" section. Actual changes in market prices or rates may differ from hypothetical changes.

Item 4. CONTROLS AND PROCEDURES

Our chief executive officer and chief financial officer participated in an evaluation of our disclosure controls and procedures, as defined by the Securities and Exchange Commission (SEC), as of the end of the period covered by this report and concluded that our controls and procedures were appropriate to ensure that information required to be disclosed by us in this quarterly report is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms. During the first six months of 2005, there were no changes in our internal controls over financial reporting that materially affected, or, with reasonable likelihood, could materially affect, our internal controls over financial reporting.

FORWARD-LOOKING STATEMENTS

The company has made or implied certain forward-looking statements in this quarterly report which are made as of the end of the time frame covered by this report. These forward-looking statements represent the company's goals, and results could vary materially from those expressed or implied. From time to time we also provide oral or written forward-looking statements in other materials we release to the public. As time passes, the relevance and accuracy of forward-looking statements may change. Some factors that could cause the company's actual results or outcomes to differ materially from those discussed in the forward-looking statements include, but are not limited to: fluctuation in customer and consumer growth and demand; loss of one or more major customers or changes to contracts with one or more customers; product introductions; insufficient production capacity; overcapacity in foreign and domestic metal and plastic container industry production facilities and its impact on pricing and financial results; failure to achieve anticipated productivity improvements or production cost reductions, including those associated with capital expenditures such as our beverage can end project; changes in climate and weather; fruit, vegetable and fishing yields; power and natural resource costs; difficulty in obtaining supplies and energy, such as gas and electric power; availability and cost of raw materials, particularly the recent significant increases in resin, steel, aluminum and energy costs, and the ability or inability to include or pass on to customers changes in raw material costs; changes in the pricing of the company's products and services; competition in pricing and the possible decrease in, or loss of, sales resulting therefrom; loss of profitability due to costs associated with plant closures; insufficient or reduced cash flow; transportation costs; the number and timing of the purchases of the company's common shares; the ability to obtain adequate credit resources for foreseeable financing requirements of the company's businesses and to satisfy the resulting credit obligations; fiscal and monetary policies established by the United States or foreign governments; regulatory action or federal and state legislation including mandated corporate governance and financial reporting laws; the German mandatory deposit or other restrictive packaging legislation such as recycling laws; increases in interest rates, particularly on floating rate debt of the company; labor strikes; increases and trends in various employee benefits and labor costs, including pension, medical and health care costs incurred in the countries in which Ball has operations; rates of return projected and earned on assets and discount rates used to measure future obligations and expenses of the company's defined benefit retirement plans; boycotts; litigation; antitrust, intellectual property, consumer and other issues; maintenance and capital expenditures; goodwill impairment; the effect of LIFO accounting on earnings; changes in generally accepted accounting principles or their interpretation; local economic conditions; the authorization, funding and availability of contracts for the aerospace and technologies segment and the nature and continuation of those contracts and related services provided thereunder; technical uncertainty and schedule of performance associated with such segment contracts; international business and market risks such as the devaluation of certain currencies; pricing and ability or inability to sell scrap associated with the production of metal and plastic containers; the ability to invoice and collect accounts receivable related to such segment contracts in the ordinary course of business; international business risks (including foreign exchange rates and activities of foreign subsidiaries) in Europe and particularly in developing countries such as the PRC and Brazil; changes in the foreign exchange rates of the U.S. dollar against the European euro, British pound, Polish zloty, Serbian dinar, Hong Kong dollar, Canadian dollar, Chinese renminbi and Brazilian real, and in the foreign exchange rate of the European euro against the British pound, Polish zloty and Serbian dinar; terrorist activity or war that disrupts the company's production, supply or pricing of raw materials used in the production of the company's goods and services, including increased energy costs, and/or disruptions in the ability of the company to obtain adequate credit resources for the foreseeable financing requirements of the company's businesses; regulatory action or laws including tax, environmental and workplace safety; successful or unsuccessful acquisitions, joint ventures or divestitures and the integration activities associated therewith; changes to unaudited results due to statutory audits of our financial statements or management's evaluation of the company's internal controls over financial reporting; and loss contingencies related to income and other tax matters, including those arising from audits performed by U.S. and foreign tax authorities. If the company is unable to achieve its goals, then the company's actual performance could vary materially from those goals expressed or implied in the forward-looking statements. The company currently does not intend to publicly update forward-looking statements except as it deems necessary in quarterly or annual earnings reports. You are advised, however, to consult any further disclosures we make on related subjects in our 10-K, 10-Q and 8-K reports to the Securities and Exchange Commission.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

There were no material updates to the company's legal proceedings under Item 1 for the quarter ended July 3, 2005.

Item 2. Changes in Securities

The following table summarizes the company's repurchases of its common stock during the quarter ended July 3, 2005.

Purchases of Securities

	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs*(b)*
April 4 to May 1, 2005	5,951	$ 40.45	5,951	11,331,535
May 2 to May 29, 2005	4,407,452	$ 40.45	4,407,452	6,924,083
May 30 to July 3, 2005	212,328	$ 36.78	212,328	6,711,755
Total	4,625,731*(a)*	$ 40.29	4,625,731	

(a) Includes open market purchases and/or shares retained by the company to settle employee withholding tax liabilities.
(b) The company has an ongoing repurchase program for which shares are authorized from time to time by the company's board of directors.

Item 3. Defaults Upon Senior Securities

There were no events required to be reported under Item 3 for the quarter ended July 3, 2005.

Item 4. Submission of Matters to a Vote of Security Holders

The company held the Annual Meeting of Shareholders on April 27, 2005. Matters voted upon by proxy, and the results of the votes, were as follows:

	For	Against/ Withheld	Abstained/ Broker Non-Vote
Election of directors for terms expiring in 2008:			
George M. Smart	82,693,901	1,212,588	–
Theodore M. Solso	70,366,807	13,539,682	–
Stuart A. Taylor II	82,398,893	1,507,596	–
Appointment of PricewaterhouseCoopers LLP as independent registered public accounting firm for 2005	79,640,564	3,581,916	684,009
Approval of 2005 Stock and Cash Incentive Plan	57,837,977	8,188,658	17,879,854
Amendment of Articles of Incorporation to increase the company's authorized common stock	73,550,771	9,629,665	726,113
Action upon shareholder proposal to declassify Board of Directors	36,961,947	28,561,200	18,383,342

The following other members of the Board of Directors continue in office: Howard M. Dean, R. David Hoover, Jan Nicholson, Hanno C. Fiedler, John F. Lehman, George A. Sissel and Erik H. van der Kaay.

Item 5. Other Information

There were no events required to be reported under Item 5 for the quarter ended July 3, 2005.

Item 6. Exhibits

3.i	Amended Articles of Incorporation as of June 24, 2005
20	Subsidiary Guarantees of Debt
10.1	Fourth Amendment to Credit Agreement dated May 9, 2005, among Ball Corporation and certain subsidiaries of Ball Corporation, with Deutsche Bank AG, New York Branch, as Administrative Agent for the Lenders
10.2	Fourth Amendment to Receivables Purchase Agreement dated July 12, 2005, among Ball Corporation and certain subsidiaries of Ball Corporation, with Jupiter Securitization Corporation and JPMorgan Chase Bank, N.A. as agent for the Purchasers
31	Certifications pursuant to Rule 13a-14(a) or Rule 15d-14(a), by R. David Hoover, Chairman of the Board, President and Chief Executive Officer of Ball Corporation and by Raymond J. Seabrook, Senior Vice President and Chief Financial Officer of Ball Corporation
32	Certifications pursuant to Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code, by R. David Hoover, Chairman of the Board, President and Chief Executive Officer of Ball Corporation and by Raymond J. Seabrook, Senior Vice President and Chief Financial Officer of Ball Corporation
99	Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995, as amended

SIGNATURE

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.

Ball Corporation
(Registrant)

By: /s/ Raymond J. Seabrook
Raymond J. Seabrook
Senior Vice President and
Chief Financial Officer

Date: August 9, 2005

EXHIBIT INDEX

Description	Exhibit
Amended Articles of Incorporation as of June 24, 2005 (Filed herewith.)	EX-3.i
Subsidiary Guarantees of Debt (Filed herewith.)	EX-20
Fourth Amendment to Credit Agreement dated May 9, 2005, among Ball Corporation and certain subsidiaries of Ball Corporation, with Deutsche Bank AG, New York Branch, as Administrative Agent for the Lenders (Filed herewith.)	EX-10.1
Fourth Amendment to Receivables Purchase Agreement dated July 12, 2005, among Ball Corporation and certain subsidiaries of Ball Corporation, with Jupiter Securitization Corporation and JPMorgan Chase Bank, N.A. as agent for the Purchasers (Filed herewith.)	EX-10.2
Certifications pursuant to Rule 13a-14(a) or Rule 15d-14(a), by R. David Hoover, Chairman of the Board, President and Chief Executive Officer of Ball Corporation and by Raymond J. Seabrook, Senior Vice President and Chief Financial Officer of Ball Corporation (Filed herewith.)	EX-31
Certifications pursuant to Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code, by R. David Hoover, Chairman of the Board, President and Chief Executive Officer of Ball Corporation and by Raymond J. Seabrook, Senior Vice President and Chief Financial Officer of Ball Corporation (Furnished herewith.)	EX-32
Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995, as amended (Filed herewith.)	EX-99

Adopted on April 23, 1985,
as amended on July 22, 1986,
April 26, 1988,
June 29, 1989 and
November 26, 1990
August 2, 1996
April 23, 2003
June 24, 2005

AMENDED ARTICLES OF INCORPORATION
OF
BALL CORPORATION

The exact text of the entire Amended Articles of Incorporation of the Corporation, as amended (hereinafter referred to as the "Amended Articles"), is as follows:

ARTICLE I
Name

The name of the Corporation is Ball Corporation.

ARTICLE II
Purpose

The purpose for which the Corporation is formed is to engage in the transaction of any or all lawful business which may be conducted, or for which corporations may be incorporated under The Indiana General Corporation Act.

ARTICLE III
Term of Existence

The period during which the Corporation shall continue is perpetual.

ARTICLE IV

Principal Office and Resident Agent

The post-office address of the principal office of the Corporation is 345 South High Street, Muncie, Indiana 47305; and the name and post-office address of its Resident Agent at the time of adoption of these Amended Articles is C T Corporation System, One North Capitol Avenue, Indianapolis, Indiana 46204.

ARTICLE V

Amount of Capital Stock

The total number of shares into which the authorized capital stock of the Corporation is divided is five hundred sixty-five million (565,000,000) shares without par value.

ARTICLE VI

Terms of Capital Stock

Section A. Designation of Classes and Number of Shares of Capital Stock

1. Five hundred fifty million (550,000,000) shares of the authorized capital stock without par value shall be known as Common Stock. The shares of Common Stock shall be identical with each other in all respects.

2. Fifteen million (15,000,000) shares of the authorized capital stock without par value shall be known as Preferred Stock. The shares of Preferred Stock may be issued in one or more series. The Board of Directors shall have the authority to determine and state the designations and the relative rights (including, if any, conversion rights, participation rights, voting rights, dividend rights, and stated, redemption and liquidation values), preferences, limitations and restrictions of each such series by the adoption of resolutions prior to the issuance of each such series authorizing the issuance of such series. All shares of Preferred Stock of the same series shall be identical with each other in all respects.

3. (Added by amendment on August 2, 1996)

One hundred twenty thousand (120,000) shares of Preferred Stock shall be designated as "Series A Junior Participating Preferred Stock" and shall have preferences, limitations, and relative voting and other rights as follows:

(A) Dividends and Distributions.

(1) Subject to the prior and superior rights of the holders of any shares of any series of Preferred Stock ranking prior and superior to the shares of Series A Junior Participating Preferred Stock with respect to dividends, the holders of shares of Series A Junior Participating Preferred Stock shall be entitled to receive, when, as and if declared by the Board of Directors out of funds legally available for the purpose, quarterly dividends payable in cash on the last day of March, June, September and December in each year (each such date being referred to herein as a "Quarterly Dividend Payment Date"), commencing on the first Quarterly Dividend Payment Date after the first issuance of a share or fraction of a share of Series A Junior Participating Preferred Stock, in an amount per share (rounded to the nearest cent) equal to the greater of (a) $0.01 or (b) subject to the provision for adjustment hereinafter set forth, 1,000 times the aggregate per share amount of all cash dividends, and 1,000 times the aggregate per share amount (payable in kind) of all noncash dividends or other distributions other than a dividend payable in shares of Common Stock or a subdivision of the outstanding shares of Common Stock (by reclassification or otherwise), declared on the Common Stock, without par value, of the Corporation (the "Common Stock") since the immediately preceding Quarterly Dividend Payment Date, or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share or fraction of a share of Series A Junior Participating Preferred Stock. In the event the Corporation shall at any time after January 24, 1996 (the "Rights Declaration Date") (a) declare any dividend on Common Stock payable in shares of Common Stock,

(b) subdivide the outstanding Common Stock, or (c) combine the outstanding Common Stock into a smaller number of shares, then in each such case the amount to which holders of shares of Series A Junior Participating Preferred Stock were entitled immediately prior to such event under clause (b) of the preceding sentence shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(2) The Corporation shall declare a dividend or distribution on the Series A Junior Participating Preferred Stock as provided in paragraph (1) above immediately after it declares a dividend or distribution on the Common Stock (other than a dividend payable in shares of Common Stock); provided that, in the event no dividend or distribution shall have been declared on the Common Stock during the period between any Quarterly Dividend Payment Date and the next subsequent Quarterly Dividend Payment Date, a dividend of $0.01 per share on the Series A Junior Participating Preferred Stock shall nevertheless be payable on such subsequent Quarterly Dividend Payment Date.

(3) Dividends shall begin to accrue and be cumulative on outstanding shares of Series A Junior Participating Preferred Stock from the Quarterly Dividend Payment Date next preceding the date of issue of such shares of Series A Junior Participating Preferred Stock, unless the date of issue of such shares is prior to the record date for the first Quarterly Dividend Payment Date, in which case dividends on such shares shall begin to accrue from the date of issue of such shares, or unless the date of issue is a Quarterly Dividend Payment Date or is a date after the record date for the determination of holders of shares of Series A Junior Participating Preferred Stock entitled to receive a quarterly dividend and before such Quarterly Dividend Payment Date, in either of which event such dividends shall begin to accrue and be cumulative from such Quarterly Dividend Payment Date. Accrued but unpaid dividends shall not bear interest. Dividends paid on the shares of Series A Junior Participating Preferred Stock in an amount less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding. The Board of Directors may fix a record date for the determination of holders of shares of Series A Junior Participating Preferred Stock entitled to receive payment of a dividend or distribution declared thereon, which record date shall be no more than 30 days prior to the date fixed for the payment thereof.

(B) Voting Rights. The holders of shares of Series A Junior Participating Preferred Stock shall have the following voting rights:

(1) Subject to the provision for adjustment hereinafter set forth, each share of Series A Junior Participating Preferred Stock shall entitle the holder thereof to 1,000 votes on all matters submitted to a vote of the shareholders of the Corporation. In the event the Corporation shall at any time after the Rights Declaration Date (a) declare any dividend on Common Stock payable in shares of Common Stock, (b) subdivide the outstanding Common Stock, or (c) combine the outstanding Common Stock into a smaller number of shares, then in each such case the number of votes per share to which holders of shares of Series A Junior Participating Preferred Stock were entitled immediately prior to such event shall be adjusted by multiplying such number by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(2) Except as otherwise provided herein or by law, the holders of shares of Series A Junior Participating Preferred Stock and the holders of shares of Common Stock shall vote together as one class on all matters submitted to a vote of shareholders of the Corporation.

(3) (a) If at any time dividends on any Series A Junior Participating Preferred Stock shall be in arrears in an amount equal to six (6) quarterly dividends thereon, the occurrence of such contingency shall mark the beginning of a period (herein called a "default period") which shall extend until such time when all accrued and unpaid dividends for all previous quarterly dividend periods and for the current quarterly dividend period on all shares of Series A Junior Participating Preferred Stock then outstanding shall have been declared and paid or set apart for payment. During each default period, all holders of Preferred Stock (including holders of the Series A Junior Participating Preferred Stoc k) with dividends in arrears in an amount equal to six (6) quarterly dividends thereon, voting as a class, irrespective of series, shall have the right to elect two (2) directors.

(b) During any default period, such voting right of the holders of Series A Junior Participating Preferred Stock may be exercised initially at a special meeting called pursuant to subparagraph (3)(c) of this Section (B) or at any annual meeting of shareholders, and thereafter at annual meetings of shareholders, provided that neither such voting right nor the right of the holders of any other series of Preferred Stock, if any, to increase, in certain cases, the authorized number of directors shall be exercised unless the holders of ten percent (10%) in number of shares of Preferred Stock outstanding shall be present in person or by proxy. The absence of a quorum of the holders of Common Stock shall not affect the exercise by the holders of Preferred Stock of such voting right. At any meeting at which the holders of Preferred Stock shall exercise such voting right initially during an existing default period, they shall have the right, voting as a class, to elect directors to fill such vacancies, if any, in the Board of Directors as may then exist up to two (2) directors or, if such right is exercised at an annual meeting, to elect two (2) directors. If the number which may be so elected at any special meeting does not amount to the required number, the holders of the Preferred Stock shall have the right to make such increase in the number of directors as shall be necessary to permit the election by them of the required number. After the holders of the Preferred Stock shall have exercised their right to elect directors in any default period and during the continuance of such period, the number of directors shall not be increased or decreased except by vote of the holders of Preferred Stock as herein provided or pursuant to the rights of any equity securities ranking senior to or pari passu with the Series A Junior Participating Preferred Stock.

(c) Unless the holders of Preferred Stock shall, during an existing default period, have previously exercised their right to elect directors, the Board of Directors may order, or any shareholder or shareholders owning in the aggregate not less than ten percent (10%) of the total number of shares of Preferred Stock outstanding, irrespective of series, may request, the calling of a special meeting of the holders of Preferred Stock, which meeting shall thereupon be called by the President, a Vice President or the Corporate Secretary of the Corporation. Notice of such meeting and of any annual meeting at which holders of Preferred Stock are entitled to vote pursuant to this subparagraph (3)(c) shall be given to each holder of record of Preferred Stock by mailing a copy of such notice to him at his last address as the same appears on the books of the Corporation. Such meeting shall be called for a time not earlier than 20 days and not later than 60 days after such order or request or in default of the calling of such meeting within 60 days after such order or request, such meeting may be called on similar notice by any shareholder or shareholders owning in the aggregate not less than ten percent (10%) of the total number of shares of Preferred Stock outstanding. Notwithstanding the provisions of this subparagraph (3)(c), no such special meeting shall be called during the period within 60 days immediately preceding the date fixed for the next annual meeting of shareholders.

(d) In any default period, the holders of Common Stock, and other classes of stock of the Corporation if applicable, shall continue to be entitled to elect the whole number of directors until the holders of Preferred Stock shall have exercised their right to elect two (2) directors voting as a class, after the exercise of which right (x) the directors so elected by the holders of Preferred Stock shall continue in office until their successors shall have been elected by such holders or until the expiration of the default period, and (y) any vacancy in

the Board of Directors may, except as provided in subparagraph (3)(b) of this Section (B), be filled by vote of a majority of the remaining directors theretofore elected by the holders of the class of stock which elected the director whose office shall have become vacant. References in this paragraph (3) to directors elected by the holders of a particular class of stock shall include directors elected by such directors to fill vacancies as provided in clause (y) of the foregoing sentence.

(e) Immediately upon the expiration of a default period, (x) the right of the holders of Preferred Stock as a class to elect directors shall cease, (y) the term of any directors elected by the holders of Preferred Stock as a class shall terminate, and (z) the number of directors shall be such number as may be provided for in these Amended Articles or the Bylaws irrespective of any increase made pursuant to the provisions of subparagraph (3)(b) of this Section (B) (such number being subject, however, to change thereafter in any manner provided by law or in these Amended Articles or the Bylaws). Any vacancies in the Board of Directors effected by the provisions of clauses (y) and (z) in the preceding sentence may be filled by a majority of the remaining directors.

(4) Except as set forth herein, holders of Series A Junior Participating Preferred Stock shall have no special voting rights and their consent shall not be required (except to the extent they are entitled to vote with holders of Common Stock as set forth herein) for taking any corporate action.

(C) Certain Restrictions.

(1) Whenever quarterly dividends or other dividends or distributions payable on the Series A Junior Participating Preferred Stock as provided in Section (A) are in arrears, thereafter and until all accrued and unpaid dividends and distributions, whether or not declared, on shares of Series A Junior Participating Preferred Stock outstanding shall have been paid in full, the Corporation shall not:

(a) declare or pay dividends on, make any other distributions on, or redeem or purchase or otherwise acquire for consideration any shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Junior Participating Preferred Stock;

(b) declare or pay dividends on or make any other distributions on any shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Junior Participating Preferred Stock, except dividends paid ratably on the Series A Junior Participating Preferred Stock and all such parity stock on which dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

(c) redeem or purchase or otherwise acquire for consideration shares of any stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Junior Participating Preferred Stock, provided that the Corporation may at any time redeem, purchase or otherwise acquire shares of any such parity stock in exchange for shares of any stock of the Corporation ranking junior (either as to dividends or upon dissolution, liquidation or winding up) to the Series A Junior Participating Preferred Stock; or

(d) purchase or otherwise acquire for consideration any shares of Series A Junior Participating Preferred Stock, or any shares of stock ranking on a parity with the Series A Junior Participating Preferred Stock, except in accordance with a purchase offer made in writing or by publication (as determined by the Board of Directors) to all holders of such shares upon such terms as the Board of Directors, after consideration of the respective annual dividend rates and other relative rights and preferences of the respective series and classes, shall determine in good faith will result in fair and equitable treatment among the respective series of classes.

(2) The Corporation shall not permit any subsidiary of the Corporation to purchase or otherwise acquire for consideration any shares of stock of the Corporation unless the Corporation could, under paragraph (1) of this Section (C), purchase or otherwise acquire such shares at such time and in such manner.

(D) Reacquired Shares. Any shares of Series A Junior Participating Preferred Stock purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired and cancelled promptly after the acquisition thereof. All such shares shall upon their cancellation become authorized but unissued shares of Preferred Stock and may be reissued as part of a new series of Preferred Stock to be created by resolution or resolutions of the Board of Directors, subject to the conditions and restrictions on issuance set forth herein.

(E) Liquidation, Dissolution or Winding Up.

(1) Upon any liquidation (voluntary or otherwise), dissolution or winding up of the Corporation, no distribution shall be made to the holders of shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Junior Participating Preferred Stock unless, prior thereto, the holders of shares of Series A Junior Participating Preferred Stock shall have received $1,000 per share, plus an amount equal to accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment (the "Series A Liquidation Preference"). Following the payment of the full amount of the Series A Liquidation Preference, no additional distributions shall be made to the holders of shares of Series A Junior Participating Preferred Stock unless, prior thereto, the holders of shares of Common Stock shall have received an amount per share (the "Common Adjustment") equal to the quotient obtained by dividing (a) the Series A Liquidation Preference by (b) 1,000 (as appropriately adjusted as set forth in subparagraph (3) below to reflect such events as stock splits, stock dividends and recapitalizations with respect to the Common Stock) (such number in clause (c), the "Adjustment Number"). Following the payment of the full amount of the Series A Liquidation Preference and the Common Adjustment in respect to all outstanding shares of Series A Junior Participating Preferred Stock and Common Stock, respectively, holders of Series A Junior Participating Preferred Stock and holders of shares of Common Stock shall receive their ratable and proportionate share of the remaining assets to be distributed in the ratio of the Adjustment Number to 1 with respect to such Preferred Stock and Common Stock, on a per share basis, respectively.

(2) In the event, however, that there are not sufficient assets available to permit payment in full of the Series A Liquidation Preference and the liquidation preferences of all other series of Preferred Stock, if any, which rank on a parity with the Series A Junior Participating Preferred Stock, then such remaining assets shall be distributed ratably to the holders of such parity shares in proportion to their respective liquidation preferences. In the event, however, that there are not sufficient assets available to permit payment in full of the Common adjustment, then such remaining assets shall be distributed ratably to the holders of Common Stock.

(3) In the event the Corporation shall at any time after the Rights Declaration Date (a) declare any dividend on Common Stock payable in shares of Common Stock, (b) subdivide the outstanding Common Stock, or (c) combine the outstanding Common Stock into a smaller number of shares, then in each such case the Adjustment Number in effect immediately prior to such event shall be adjusted by multiplying such Adjustment Number by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(F) Consolidation, Merger, etc. In case the Corporation shall enter into any consolidation, merger, combination or other transaction in which the shares of Common Stock are exchanged for or changed into other stock or securities, cash and/or any other property, then in any such case the shares of Series A Junior Participating Preferred Stock shall at the same time be similarly exchanged or changed in an amount per share (subject to the provision for adjustment hereinafter set forth) equal to 1,000 times the aggregate amount of stock, securities, cash and/or any other property (payable in kind), as the case may be, into which or for which each share of Common Stock is changed or exchanged. In the event the Corporation shall at any time after the Rights Declaration Date (a) declare any dividend on Common Stock payable in shares of Common Stock, (b) subdivide the outstanding Common Stock, or (c) combine the outstanding Common Stock into a smaller number of shares, then in each such case the amount set forth in the preceding sentence with respect to the exchange or change of shares of Series A Junior Participating Preferred Stock shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(G) Redemption. The shares of Series A Junior Participating Preferred Stock shall be redeemable at a price equal to the product of (a) the current market price of the Common Stock and (b) the Adjustment Number.

(H) Ranking. The Series A Junior Participating Preferred Stock shall rank junior to all other series of the Corporation's Preferred Stock as to the payment of dividends and the distribution of assets, unless the terms of any such series shall provide otherwise.

(I) Amendment. The Amended Articles of Incorporation of the Corporation shall not be further amended in any manner which would materially alter or change the powers, preferences or special rights of the Series A Junior Participating Preferred Stock so as to affect them adversely without the affirmative vote of the holders of a majority or more of the outstanding shares of Series A Junior Participating Preferred Stock, voting separately as a class.

(J) Fractional Shares. Series A Junior Participating Preferred Stock may be issued in fractions of a share which shall entitle the holder, in proportion to such holder's fractional shares, to exercise voting rights, receive dividends, participate in distributions and to have the benefit of all other rights of holders of Series A Junior Participating Preferred Stock.

4. (Added by amendment on June 29, 1989)

Two million one hundred thousand (2,100,000) shares of Preferred Stock shall be designated as "Series B ESOP Convertible Preferred Stock" and shall have preferences, limitations, and relative voting and other rights as follows:

Section 1. Designation and Amount; Special Purpose Restricted Transfer Issue

(A) The shares of such series shall be designated "Series B ESOP Convertible Preferred Stock" (such series being hereinafter sometimes called the "Series B Preferred Stock"), and the number of shares constituting such series shall initially be 2,100,000. Each share of Series B Preferred Stock shall have a stated value of $36.75.

(B) Shares of Series B Preferred Stock shall be issued only to Mellon Bank, N.A., as trustee (the "Trustee") of the Ball Corporation Salary Conversion Plan for Salaried Employees, as amended from time to time, or any successor to such plan (the "Plan"), including the employee stock ownership plan component of the Plan (the "ESOP"). All references to the holder of the Series B Preferred Stock shall mean the Trustee or any corporation with which or into which the Trustee may merge or any successor trustee under the trust agreement with respect to the Plan. In the event of any transfer of record ownership of shares of Series B Preferred Stock to any person other than any successor trustee under the Plan, the shares of Series B Preferred Stock so transferred, upon such transfer and without any further action by the Corporation or the holder thereof, shall be automatically converted into shares of Common Stock (as defined in paragraph (B) of Section 11 hereof) on the terms otherwise provided for the conversion of shares of Series B Preferred Stock into shares of Common Stock pursuant to Section 5 hereof and no such transferee shall have any of the voting powers, preferences and relative, participating, optional or special rights ascribed to shares of Series B Preferred Stock hereunder but, rather, only the powers and rights pertaining to the Common Stock into which such shares of Series B Preferred Stock shall be so converted. In the event of such a conversion, the transferee of the shares of Series B Preferred Stock shall be treated for all purposes as the record holder of the shares of Common Stock into which such shares of Series B Preferred Stock have been automatically converted as of the date of such transfer. Certificates representing shares of Series B Preferred Stock shall bear a legend to reflect the foregoing provisions. Notwithstanding the foregoing provisions of this paragraph (B) of Section 1, shares of Series B Preferred Stock (i) may be converted into shares of Common Stock as provided by Section 5 hereof and the shares of Common Stock issued upon such conversion may be transferred by the holder thereof as permitted by law and (ii) shall be redeemable by the Corporation upon the terms and conditions provided by Sections 6, 7 and 8 hereof.

Section 2. Dividends and Distributions

(A) Subject to the provisions for adjustment hereinafter set forth, the holders of shares of Series B Preferred Stock shall be entitled to receive, when, as and if declared by the Board of Directors of the Corporation (the "Board of Directors") out of funds legally available therefor, cash dividends ("Preferred Dividends") at the rate of $2.76 per share per annum, payable semiannually in arrears, one-half on the 15th day of December and one-half on the 15th day of June of each year (each a "Dividend Payment Date") commencing on December 15, 1989, to holders of record at the start of business on such Dividend Payment Date. In the event that any Dividend Payment Date shall fall on any day other than a "Business Day" (as defined in paragraph (G) of Section 9 hereof), the dividend payment due on such Dividend Payment Date shall be paid on the Business Day immediately following such Dividend Payment Date. Preferred Dividends shall begin to accrue on outstanding shares of Series B Preferred Stock from the date of issuance of such shares of Series B Preferred Stock. Preferred Dividends shall accrue on a daily basis whether or not during such semiannual period there shall be funds legally available therefor, but Preferred Dividends accrued on the shares of Series B Preferred Stock for any period less than a full semiannual period between Dividend Payment Dates (or, in the case of the first dividend payment, from the date of issuance of the shares of Series B Preferred Stock through the first Dividend Payment Date) shall be computed on the basis of a 360-day year of 30-day months. Accrued but unpaid Preferred Dividends shall cumulate as of the Dividend Payment Date on which they first become payable, but no interest shall accrue on accumulated but unpaid Preferred Dividends.

(B) So long as any shares of Series B Preferred Stock shall be outstanding, no dividend shall be declared or paid or set apart for payment on any other series of stock ranking on a parity with the Series B Preferred Stock as to dividends, unless there shall also be or have been declared and paid or set apart for payment on the Series B Preferred Stock dividends for all dividend payment periods of the Series B Preferred Stock ending on or before the dividend payment date of such parity stock, ratably in proportion to the respective amounts of dividends accumulated and unpaid through such dividend period on the Series B Preferred Stock and accumulated and unpaid on such parity stock through the dividend payment period on such parity stock next preceding such dividend payment date. In the event that full cumulative dividends on the Series B Preferred Stock have not been declared and paid or set apart for payment when due, the Corporation shall not declare or pay or set apart for payment any dividends or make any other distributions on, or make any payment on account of the purchase, redemption or other retirement of any other class of stock or series thereof of the Corporation ranking, as to dividends or as to distributions in the event of a liquidation, dissolution or winding up of the Corporation, junior to the Series B Preferred Stock until full cumulative dividends on the Series B Preferred Stock shall have been paid or declared and set apart for payment; *provided, however,* that the foregoing shall not apply to (i) any dividend payable solely in any shares of any stock ranking, as to dividends and as to distributions in the event of a liquidation, dissolution or winding up of the Corporation, junior to the Series B Preferred Stock or (ii) the acquisition of shares of any stock ranking, as to dividends or as to distributions in the event of a liquidation, dissolution or winding up of the Corporation, junior to the Series B Preferred Stock in exchange solely for shares of any other stock ranking, as to dividends and as to distributions in the event of a liquidation, dissolution or winding up of the Corporation, junior to the Series B Preferred Stock.

Section 3. *Voting Rights*

The holders of shares of Series B Preferred Stock shall have the following voting rights:

(A) The holders of shares of Series B Preferred Stock shall be entitled to vote on all matters submitted to a vote of the shareholders of the Corporation, voting together with the holders of Common Stock as one class. The holders of shares of Series B Preferred Stock initially shall be entitled to 1.30 votes per share (the "Initial Vote"), *provided* in the event of a "Regulatory Determination", as defined below, with respect to the Initial Vote, the Initial Vote shall be reduced to one vote per share. In the event that the "Conversion Price", as defined in Section 5 hereof, is adjusted as provided in Subsection 9(A) or (B) hereof, each share of Series B Preferred Stock shall be entitled to a vote equal to the vote to which it was entitled immediately prior to such adjustment, multiplied by the inverse of the fraction by which the Conversion Price is to be multiplied pursuant to such subsection, subject to a Regulatory Determination. In the event of any other adjustment to the Conversion Price hereunder, each share of Series B Preferred Stock shall be entitled to a number of votes equal to the higher of (i) the number of shares of Common Stock into which such share of Series B Preferred Stock could be converted subsequent to such adjustment and (ii) the number of votes to which it was entitled immediately prior to such adjustment, subject to a Regulatory Determination. In the event of a Regulatory Determination with respect to the voting rights of a share of Series B Preferred Stock as adjusted pursuant to the preceding two sentences, the number of votes per share of Series B Preferred Stock shall only be adjusted to the highest vote per share which would not result in a Regulatory Determination. The term "Regulatory Determination" refers to a determination by the Corporation that the number of votes to be accorded to each share of Series B Preferred Stock hereunder would create a material risk that the Common Stock would no longer be eligible for trading on the New York Stock Exchange ("NYSE") or otherwise not be permitted by applicable rules and regulations of the Securities and Exchange Commission or the NYSE.

(B) Except as otherwise required by law or set forth herein, holders of Series B Preferred Stock shall have no special voting rights and their consent shall not be required (except to the extent they are entitled to vote with holders of Common Stock as set forth herein) for the taking of any corporate action.

Section 4. *Liquidation, Dissolution or Winding Up*

(A) In the event of any liquidation, dissolution or winding up of the Corporation, voluntary or involuntary, the holders of Series B Preferred Stock shall be entitled to receive out of assets of the Corporation which remain after satisfaction in full of all valid claims of creditors of the Corporation and which are available for payment to shareholders, and subject to the rights of the holders of any stock of the Corporation ranking senior to or on a parity with the Series B Preferred Stock in respect of distributions upon liquidation, dissolution or winding up of the Corporation, before any amount shall be paid to or distributed among the holders of Common Stock or any other shares ranking junior to the Series B Preferred Stock in respect of distributions upon liquidation, dissolution or winding up of the Corporation, liquidating distributions in the amount of $36.75 per share, plus an amount equal to all accrued and unpaid dividends thereon to the date fixed for distribution, and no more. If upon any liquidation, dissolution or winding up of the Corporation, the amounts payable with respect to the Series B Preferred Stock and any other stock ranking as to any such distribution on a parity with the Series B Preferred Stock are not paid in full, the holders of Series B Preferred Stock and such other stock shall share ratably in any distribution of assets in proportion to the full respective preferential amounts to which they are entitled. After payment of the full amount to which they are entitled as provided by the foregoing provisions of this paragraph 4(A), the holders of Series B Preferred Stock shall not be entitled to any further right or claim to any of the remaining assets of the Corporation.

(B) Neither the merger or consolidation of the Corporation with or into any other corporation, nor the merger or consolidation of any other corporation with or into the Corporation, nor the sale, lease, exchange or other transfer of all or any portion of the assets of the Corporation, shall be deemed to be a dissolution, liquidation or winding up of the affairs of the Corporation for purposes of this Section 4, but the holders of Series B Preferred Stock shall nevertheless be entitled in the event of any such merger or consolidation to the rights provided by Section 8 hereof.

(C) Written notice of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, stating the payment date or dates when, and the place or places where, the amounts distributable to holders of Series B Preferred Stock in such circumstances shall be payable, shall be given by hand delivery, by courier, by standard form of telecommunication or by first-class mail (postage prepaid), delivered, sent or mailed, as the case may be, not less than twenty (20) days prior to any payment date stated therein, to the holders of Series B Preferred Stock, at the address shown on the books of the Corporation or any transfer agent for the Series B Preferred Stock.

Section 5. Conversion into Common Stock

(A) A holder of shares of Series B Preferred Stock shall be entitled, at any time prior to the close of business on the date fixed for redemption of such shares pursuant to Section 6, 7 or 8 hereof, to cause any or all of such shares to be converted into shares of Common Stock, initially at a conversion price equal to $36.75 per share of Common Stock, with each share of Series B Preferred Stock being valued at $36.75 for such purpose, and which price shall be adjusted as provided in Section 9 hereof (and, as so adjusted, is hereinafter sometimes referred to as the "Conversion Price") (that is, a conversion rate initially equivalent to one share of Common Stock for each share of Series B Preferred Stock so converted, subject to adjustment as the Conversion Price is adjusted as provided in Section 9 hereof).

(B) Any holder of shares of Series B Preferred Stock desiring to convert such shares into shares of Common Stock shall surrender the certificate or certificates representing the shares of Series B Preferred Stock being converted, duly assigned or endorsed for transfer to the Corporation (or accompanied by duly executed stock powers relating thereto), at the principal executive office of the Corporation or the offices of any transfer agent for the Series B Preferred Stock or such office or offices in the continental United States of an agent for conversion as may from time to time be designated by notice to the holders of the Series B Preferred Stock by the Corporation or any transfer agent for the Series B Preferred Stock, accompanied by written notice of conversion. Such notice of conversion shall specify (i) the number of shares of Series B Preferred Stock to be converted and the name or names in which such holder wishes the certificate or certificates for Common Stock and for any shares of Series B Preferred Stock not to be so converted to be issued and (ii) the address to which such holder wishes new certificates issued upon such conversion to be delivered.

(C) Upon surrender of a certificate representing a share or shares of Series B Preferred Stock for conversion, the Corporation shall issue and send by hand delivery, by courier or by first-class mail (postage prepaid), to the holder thereof or to such holder's designee, at the address designated by such holder, a certificate or certificates for the number of shares of Common Stock to which such holder shall be entitled upon conversion. In the event that there shall have been surrendered a certificate or certificates representing shares of Series B Preferred Stock, only part of which are to be converted, the Corporation shall issue and send to such holder or such holder's designee, in the manner set forth in the preceding sentence, a new certificate or certificates representing the number of shares of Series B Preferred Stock which shall not have been converted.

(D) The issuance by the Corporation of shares of Common Stock upon a conversion of shares of Series B Preferred Stock into shares of Common Stock made at the option of the holder thereof shall be effective as of the earlier of (i) the delivery to such holder or such holder's designee of the certificates representing the shares of Common Stock issued upon conversion thereof or (ii) the commencement of business on the second Business Day after the surrender of the certificate or certificates for the shares of Series B Preferred Stock to be converted, duly assigned or endorsed for transfer to the Corporation (or accompanied by duly executed stock powers relating thereto) and accompanied by all documentation required to effect the conversion, as herein provided. On and after the effective date of conversion, the person or persons entitled to receive the Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock, but no allowance or adjustment shall be made in respect of dividends payable to holders of Common Stock in respect of any period prior to such effective date. The Corporation shall not be obligated to pay any dividends which shall have been declared and shall be payable to holders of shares of Series B Preferred Stock on a Dividend Payment Date if such Dividend Payment Date for such dividend is subsequent to the effective date of conversion of such shares.

(E) The Corporation shall not be obligated to deliver to holders of Series B Preferred Stock any fractional share or shares of Common Stock issuable upon any conversion of such shares of Series B Preferred Stock, but in lieu thereof may make a cash payment in respect thereof in any manner permitted by law.

(F) Out of its authorized Common Stock the Corporation shall at all times reserve and keep available unissued or treasury shares solely for issuance upon the conversion of shares of Series B Preferred Stock as herein provided, free from any preemptive rights, in such number as shall from time to time be issuable upon the conversion of all the shares of Series B Preferred Stock then outstanding. Nothing contained herein shall preclude the Corporation from issuing shares of Common Stock held in its treasury upon the conversion of shares of Series B Preferred Stock into Common Stock pursuant to the terms hereof. The Corporation shall prepare and shall use its best efforts to obtain and keep in force such governmental or regulatory permits or other authorizations as may be required by law, and shall comply with all requirements as to registration or qualification of the Common Stock, in order to enable the Corporation lawfully to issue and deliver to each holder of record of Series B Preferred Stock such number of shares of its Common Stock as shall from time to time be sufficient to effect the conversion of all shares of Series B Preferred Stock then outstanding and convertible into shares of Common Stock.

Section 6. Redemption At the Option of the Corporation

(A) The Series B Preferred Stock shall be redeemable, in whole or in part, (i) at the option of the Corporation at any time after June 29, 1999, at $36.75 per share, plus an amount equal to all accrued and unpaid dividends thereon to the date fixed for redemption and (ii) as otherwise permitted by this Section 6. Payment of the redemption price shall be made by the Corporation in cash or shares of Common Stock, or a combination thereof, as permitted by paragraph (F) of this Section 6. From and after the date fixed for redemption, dividends on shares of Series B Preferred Stock called for redemption will cease to accrue, such shares of Series B Preferred Stock will no longer be deemed to be outstanding and all rights in respect of such shares of Series B Preferred Stock shall cease, except the right to receive the redemption price. If less than all of the outstanding shares of Series B Preferred Stock are to be redeemed, the Corporation shall either redeem a portion of the shares of Series B Preferred Stock of each holder determined pro rata based on the number of shares of Series B Preferred Stock held by each holder or shall select the shares of Series B Preferred Stock to be redeemed by lot, as may be determined by the Board of Directors.

(B) Unless otherwise required by law, notice of redemption will be sent to the holders of Series B Preferred Stock at the address shown on the books of the Corporation or any transfer agent for the Series B Preferred Stock by hand delivery, by courier, by any standard form of telecommunications or by first-class mail (postage prepaid), delivered, sent or mailed, as the case may be, not less than fifteen (15) days nor more than sixty (60) days prior to the redemption date. Each such notice shall state: (i) the redemption date; (ii) the total number of shares of Series B Preferred Stock to be redeemed and, if fewer than all the shares held by such holder are to be redeemed, the number of such shares of Series B Preferred Stock to be redeemed from such holder; (iii) the redemption price; (iv) the place or places where certificates for such shares of Series B Preferred Stock are to be surrendered for payment of the redemption price; (v) that dividends on the shares of Series B Preferred Stock to be redeemed will cease to accrue on such redemption date; and (vi) the conversion rights of the shares of Series B Preferred Stock to be redeemed, the period within which conversion rights may be exercised, and the Conversion Price and number of shares of Common Stock issuable upon conversion of a share of Series B Preferred Stock at the time. Upon surrender of the certificate for any shares of Series B Preferred Stock so called for redemption and not previously converted (properly endorsed or assigned for transfer, if the Board of Directors shall so require and the notice shall so state), such shares shall be redeemed by the Corporation at the date fixed for redemption and at the redemption price set forth in this Section 6.

(C) In the event (i) of a change in any statute, rule or regulation of the United States of America which (x) has the effect of limiting or making unavailable to the Corporation all or any of the tax deductions for amounts paid (including dividends) on the shares of Series B Preferred Stock when such amounts are used as provided under Section 404(k)(2) of the Internal Revenue Code of 1986, as amended and in effect on the date shares of Series B Preferred Stock are initially issued, or (y) relates, directly or indirectly, to the ESOP and adversely affects the Corporation, (ii) that shares of Series B Preferred Stock are held by an employee benefit plan intended to qualify as an employee stock ownership plan within the meaning of Section 4975 of the Internal Revenue Code of 1986, as amended (the "Code"), and such plan does not so qualify, or (iii) that the Corporation, in good faith after consultation with counsel to the Corporation, determines that the voting provisions contained herein are not in compliance with Rule 19c-4 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, the Corporation may, in its sole discretion and notwithstanding anything to the contrary in paragraph (A) of this Section 6, elect to redeem any or all of such shares of Series B Preferred Stock for $36.75 per share, plus an amount equal to all accrued and unpaid dividends thereon to the date fixed for redemption. Except with respect to the redemption price, such redemption shall be effected as provided in paragraphs (A), (B) and (F) of this Section 6.

(D) In the event that the Plan is terminated or the ESOP is terminated or eliminated from the Plan in accordance with its terms, and notwithstanding anything to the contrary in paragraph (A) of this Section 6, the Corporation shall, as soon thereafter as practicable, call for redemption all then outstanding shares of Series B Preferred Stock at the following redemption prices per share:

During the Twelve-Month Period Beginning June 29	**Price Per Share**
1989	$ 39.510
1990	39.234
1991	38.958
1992	38.682
1993	38.406
1994	38.130
1995	37.854
1996	37.578
1997	37.302
1998	37.026

Except with respect to the redemption price, such redemption shall be effected as provided in paragraphs (A), (B) and (F) of this Section 6.

(E) Notwithstanding anything to the contrary in paragraph (A) of this Section 6, upon the termination of a Plan participant's employment with the Corporation, the Corporation may elect to redeem any or all shares of Series B Preferred Stock held for the account of such participant at a redemption price equal to the higher of (i) $36.75 per share, plus an amount equal to all accrued and unpaid dividends thereon to the date fixed for redemption or (ii) the Fair Market Value (as defined in paragraph (G) of Section 9 hereof) of the shares of Common Stock which would be issuable upon the conversion of the shares of Series B Preferred Stock being redeemed, plus accrued and unpaid dividends (the "Consideration Price"). Except with respect to the redemption price, such redemption shall be effected as provided in paragraphs (A), (B) and (F) of this Section 6.

(F) The Corporation, at its option, may make payment of the redemption price required upon redemption of shares of Series B Preferred Stock in cash or in shares of Common Stock, or in a combination of such shares and cash, any such shares of Common Stock to be valued for such purposes at their Fair Market Value.

Section 7. Other Redemption Rights

Shares of Series B Preferred Stock shall be redeemed by the Corporation for cash or, if the Corporation so elects, in shares of Common Stock, or a combination of such shares of Common Stock and cash, any such shares of Common Stock to be valued for such purpose at their Fair Market Value, at a redemption price equal to the higher of (i) $36.75 per share plus accrued and unpaid dividends thereon to the date fixed for redemption or (ii) the Consideration Price, at the option of the holder, at any time and from time to time upon notice to the Corporation given not less than five (5) Business Days prior to the date fixed by the holder in such notice for such redemption, upon certification by such holder to the Corporation: (i) when and to the extent necessary for such holder to provide for distributions required to be made to participants under, or to satisfy an investment election provided to participants in accordance with, the Plan; or (ii) in the event that the Plan is not initially determined by the Internal Revenue Service to be qualified within the meaning of §401(a) and 4975(e)(7) of the Code.

Section 8. Consolidation, Merger, etc.

(A) In the event that the Corporation shall consummate any consolidation or merger or similar business combination, pursuant to which the outstanding shares of Common Stock are by operation of law exchanged solely for or changed, reclassified or converted solely into stock of any successor or resulting corporation (including the Corporation) that constitutes "qualifying employer securities" with respect to a holder of Series B Preferred Stock within the meaning of Section 409(1) of the Code and Section 407(d)(5) of the Employee Retirement Income Security Act of 1974, as amended, or any successor provisions of law, and, if applicable, for a cash payment in lieu of fractional shares, if any, the shares of Series B Preferred Stock of such holder shall, in connection with such consolidation, merger or similar business combination, be assumed by and shall become preferred stock of such successor or resulting corporation, having in respect of such corporation, insofar as possible, the same powers, preferences and relative, participating, optional or other special rights (including the redemption rights provided by Sections 6, 7 and 8 hereof), and the qualifications, limitations or restrictions thereon, that the Series B Preferred Stock had immediately prior to such transaction, except that after such transaction each share of Series B Preferred Stock shall be convertible, otherwise on the terms and conditions provided by Section 5 hereof, into the number and kind of qualifying employer securities so receivable by a holder of the number of shares of Common Stock into which such shares of Series B Preferred Stock could have been converted immediately prior to such transaction; *provided, however,* that if by virtue of the structure of such transaction, a holder of Common Stock is required to make an election with respect to the nature and kind of consideration to be received in such transaction, which election cannot practicably be made by the holder of the shares of Series B Preferred Stock, then the shares of Series B Preferred Stock shall, by virtue of such transaction and on the same terms as apply to the holders of Common Stock, be converted into or exchanged for the aggregate amount of stock, securities, cash or other property (payable in kind) receivable by a holder of the number of shares of Common Stock into which such shares of Series B Preferred Stock could have been converted immediately prior to such transaction if such holder of Common Stock failed to exercise any rights of election to receive any kind or amount of stock, securities, cash or other property (other than such qualifying employer securities and a cash payment, if applicable, in lieu of fractional shares), receivable upon such transaction (provided that, if the kind or amount of qualifying employer securities receivable upon such transaction is not the same for each non-electing share, then the kind and amount so receivable upon such transaction for each non-electing share shall be the kind and amount so receivable per share by the plurality of the non-electing shares). The rights of the Series B Preferred Stock as preferred stock of such successor or resulting corporation shall successively be subject to adjustments pursuant to Sections 3 and 9 hereof after any such transaction as nearly equivalent as practicable to the adjustment provided for by such sections prior to such transaction. The Corporation shall not consummate any such merger, consolidation or similar transaction unless all then outstanding shares of Series B Preferred Stock shall be assumed and authorized by the successor or resulting corporation as aforesaid.

(B) In the event that the Corporation shall consummate any consolidation or merger or similar business combination, pursuant to which the outstanding shares of Common Stock are by operation of law exchanged for or changed, reclassified or converted into other stock or securities or cash or any other property, or any combination thereof, other than

any such consideration which is constituted solely of qualifying employer securities (as referred to in paragraph (A) of this Section 8) and cash payments, if applicable, in lieu of fractional shares, outstanding shares of Series B Preferred Stock shall, without any action on the part of the Corporation or any holder thereof (but subject to paragraph (C) of this Section 8), be automatically converted by virtue of such merger, consolidation or similar transaction immediately prior to such consummation into the number of shares of Common Stock into which such shares of Series B Preferred Stock could have been converted at such time so that each share of Series B Preferred Stock shall by virtue of such transaction and on the same terms as apply to the holders of Common Stock, be converted into or exchanged for the aggregate amount of stock, securities, cash or other property (payable in like kind) receivable by a holder of the number of shares of Common Stock into which such shares of Series B Preferred Stock could have been converted immediately prior to such transaction; *provided, however,* that if by virtue of the structure of such transaction, a holder of Common Stock is required to make an election with respect to the nature and kind of consideration to be received in such transaction, which election cannot practicably be made by the holder of the shares of Series B Preferred Stock, then the shares of Series B Preferred Stock shall, by virtue of such transaction and on the same terms as apply to the holders of Common Stock, be converted into or exchanged for the aggregate amount of stock, securities, cash or other property (payable in kind) receivable by a holder of the number of shares of Common Stock into which such shares of Series B Preferred Stock could have been converted immediately prior to such transaction if such holder of Common Stock failed to exercise any rights of election as to the kind or amount of stock, securities, cash or other property receivable upon such transaction (provided that, if the kind or amount of stock, securities, cash or other property receivable upon such transaction is not the same for each non-electing share, then the kind and amount of stock, securities, cash or other property receivable upon such transaction for each non-electing share shall be the kind and amount so receivable per share by a plurality of the non-electing shares).

(C) In the event the Corporation shall enter into any agreement providing for any consolidation or merger or similar business combination described in paragraph (B) of this Section 8, then the Corporation shall as soon as practicable thereafter (and in any event at least ten (10) Business Days before consummation of such transaction) give notice of such agreement and the material terms thereof to each holder of shares of Series B Preferred Stock and each such holder shall have the right to elect, by written notice to the Corporation, to receive, upon consummation of such transaction (if and when such transaction is consummated), from the Corporation or the successor of the Corporation, in redemption and retirement of such Series B Preferred Stock, a cash payment equal to the following amount per share:

During the Twelve-Month Period Beginning June 29	**Price Per Share**
1989	$ 39.510
1990	39.234
1991	38.958
1992	38.682
1993	38.406
1994	38.130
1995	37.854
1996	37.578
1997	37.302
1998	37.026

No such notice of redemption shall be effective unless given to the Corporation prior to the close of business on the fifth Business Day prior to consummation of such transaction, unless the Corporation or the successor of the Corporation shall waive such prior notice, but any notice of redemption so given prior to such time may be withdrawn by notice of withdrawal given to the Corporation prior to the close of business on the fifth business day prior to consummation of such transaction.

Section 9. Anti-dilution Adjustments

(A) In the event the Corporation shall, at any time or from time to time while any of the shares of Series B Preferred Stock are outstanding, (i) pay a dividend or make a distribution in respect of the Common Stock in shares of Common Stock, (ii) subdivide the outstanding shares of Common Stock, or (iii) combine the outstanding shares of Common Stock into a smaller number of shares, in each case whether by reclassification of shares, recapitalization of the Corporation (including a recapitalization effected by a merger or consolidation to which Section 8 hereof does not apply) or otherwise, subject to the provisions of paragraphs (E) and (F) of this Section 9, the Conversion Price in effect immediately prior to such action shall be adjusted by multiplying such Conversion Price by a fraction, the numerator of which is the number of shares of Common Stock outstanding immediately before such event, and the denominator of which is the number of shares of Common Stock outstanding immediately after such event. An adjustment made pursuant to this paragraph 9(A) shall be given effect, upon payment of such a dividend or distribution, as of the record date for the determination of stockholders entitled to receive such dividend or distribution (on a retroactive basis) and in the case of a subdivision or combination shall become effective immediately as of the effective date thereof.

(B) In the event that the Corporation shall, at any time or from time to time while any of the shares of Series B Preferred Stock are outstanding, issue to holders of shares of Common Stock as a dividend or distribution, including by way of a reclassification of shares or a recapitalization of the Corporation, any right or warrant to purchase shares of Common Stock (but not including as such a right or warrant any security convertible into or exchangeable for shares of Common Stock) at a purchase price per share less than the Fair Market Value (as defined in paragraph (G) of this Section 9) of a share of Common Stock on the date of issuance of such right or warrant, then, subject to paragraphs (E) and (F) of this Section 9, the Conversion Price shall be adjusted by multiplying such Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately before such issuance of rights or warrants plus the number of shares of Common Stock which could be purchased at the Fair Market Value of a share of Common Stock at the time of such issuance for the maximum aggregate consideration payable upon exercise in full of all such rights or warrants, and the denominator of which shall be the number of shares of Common Stock outstanding immediately before such issuance of rights or warrants plus the maximum number of shares of Common Stock that could be acquired upon exercise in full of all such rights and warrants.

(C) In the event the Corporation shall, at any time or from time to time while any of the shares of Series B Preferred Stock are outstanding, issue, sell or exchange shares of Common Stock (other than pursuant to any right or warrant to purchase or acquire shares of Common Stock [including as such a right or warrant any security convertible into or exchangeable for shares of Common Stock] and other than pursuant to any employee or director incentive or benefit plan or arrangement, including any employment, severance or consulting agreement, of the Corporation or any subsidiary of the Corporation heretofore or hereafter adopted) for a consideration having a Fair Market Value, on the date of such issuance, sale or exchange, less than the Fair Market Value of such shares on the date of issuance, sale or exchange, then, subject to parag raphs (E) and (F) of this Section 9, the Conversion Price shall be adjusted by multiplying such Conversion Price by a fraction the numerator of which shall be the sum of (i) the Fair Market Value of all the shares of Common Stock outstanding on the day immediately preceding the first public announcement of such issuance, sale or exchange plus (ii) the Fair Market Value of the consideration received by the Corporation in respect of such issuance, sale or exchange of shares of Common Stock, and the denominator of which shall be the product of (a) the Fair Market Value of a share of Common Stock on the day immediately preceding the first public announcement of such issuance, sale or exchange multiplied by (b) the sum of the number of shares of Common Stock outstanding on such day plus the number of shares of Common Stock so issued, sold or exchanged by the Corporation. In the event the Corporation shall, at any time or from time to time while any shares of Series B Preferred Stock are outstanding, issue, sell or exchange any right or warrant to purchase or acquire shares of Common Stock (including as such a right or warrant any security convertible into or exchangeable for shares of Common Stock), other than any such issuance to holders of shares of Common Stock as a dividend or distribution (including by way of a reclassification of shares or a recapitalization of the Corporation) and other than pursuant to any employee or director incentive or benefit plan or arrangement (including any employment, severance or consulting agreement) of the Corporation or any subsidiary of the Corporation heretofore or hereafter adopted, for a consideration having a Fair Market Value, on the date of such issuance, sale or

exchange, less than the Non-Dilutive Amount (as hereinafter defined), then, subject to paragraphs (E) and (F) of this Section 9, the Conversion Price shall be adjusted by multiplying such Conversion Price by a fraction the numerator of which shall be the sum of (i) the Fair Market Value of all the shares of Common Stock outstanding on the day immediately preceding the first public announcement of such issuance, sale or exchange plus (ii) the Fair Market Value of the consideration received by the Corporation in respect of such issuance, sale or exchange of such right or warrant plus (iii) the Fair Market Value at the time of such issuance of the consideration which the Corporation would receive upon exercise in full of all such rights or warrants, and the denominator of which shall be the product of (i) the Fair Market Value of a share of Common Stock on the day immediately preceding the first public announcement of such issuance, sale or exchange multiplied by (ii) the sum of the number of shares of Common Stock outstanding on such day plus the maximum number of shares of Common Stock which could be acquired pursuant to such right or warrant at the time of the issuance, sale or exchange of such right or warrant (assuming shares of Common Stock could be acquired pursuant to such right or warrant at such time).

(D) In the event the Corporation shall, at any time or from time to time while any of the shares of Series B Preferred Stock are outstanding, make an Extraordinary Distribution (as defined in paragraph (G) of this Section 9) in respect of the Common Stock, whether by dividend, distribution, reclassification of shares or recapitalization of the Corporation (including a recapitalization or reclassification effected by a merger or consolidation to which Section 8 hereof does not apply) or effect a Pro Rata Repurchase (as defined in paragraph (G) of this Section 9) of Common Stock, the Conversion Price in effect immediately prior to such Extraordinary Distribution or Pro Rata Repurchase shall, subject to paragraphs (E) and (F) of this Section 9, be adjusted by multiplying such Conversion Price by a fraction the numerator of which is the difference between (i) the product of (x) the number of shares of Common Stock outstanding immediately before such Extraordinary Distribution or Pro Rata Repurchase multiplied by (y) the Fair Market Value of a share of Common Stock on the day before the ex-dividend date with respect to an Extraordinary Distribution which is paid in cash and on the distribution date with respect to an Extraordinary Distribution which is paid other than in cash, or on the applicable expiration date (including all extensions thereof) of any tender offer which is a Pro Rata Repurchase, or on the date of purchase with respect to any Pro Rata Repurchase which is not a tender offer, as the case may be, and (ii) the Fair Market Value of the Extraordinary Distribution or the aggregate purchase price of the Pro Rata Repurchase, as the case may be, and the denominator of which shall be the product of (a) the number of shares of Common Stock outstanding immediately before such Extraordinary Dividend or Pro Rata Repurchase minus, in the case of a Pro Rata Repurchase, the number of shares of Common Stock repurchased by the Corporation multiplied by (b) the Fair Market Value of a share of Common Stock on the day before the ex-dividend date with respect to an Extraordinary Distribution which is paid in cash and on the distribution date with respect to an Extraordinary Distribution which is paid other than in cash, or on the applicable expiration date (including all extensions thereof) of any tender offer which is a Pro Rata Repurchase or on the date of purchase with respect to any Pro Rata Repurchase which is not a tender offer, as the case may be. The Corporation shall send each holder of Series B Preferred Stock (i) notice of its intent to make any dividend or distribution and (ii) notice of any offer by the Corporation to make a Pro Rata Repurchase, in each case at the same time as, or as soon as practicable after, such offer is first communicated (including by announcement of a record date in accordance with the rules of any stock exchange on which the Common Stock is listed or admitted to trading) to holders of Common Stock; *provided,* the Corporation shall give such holders notice of any dividend or distribution no later than the date upon which it is required to give notice to any stock exchange, or in the event notice to any stock exchange is not required, no later than ten days before the applicable record date. Such notice shall indicate the intended record date and the amount and nature of such dividend or distribution, or the number of shares subject to such offer for a Pro Rata Repurchase and the purchase price payable by the Corporation pursuant to such offer, as well as the Conversion Price and the number of shares of Common Stock into which a share of Series B Preferred Stock may be converted at such time.

(E) Notwithstanding any other provisions of this Section 9, the Corporation shall not be required to make any adjustment to the Conversion Price unless such adjustment would require an increase or decrease of at least one percent (1%) in the Conversion Price. Any lesser adjustment shall be carried forward and shall be made no later than the time of, and together with, the next subsequent adjustment which, together with any adjustment or adjustments so carried forward, shall amount to an increase or decrease of at least one percent (1%) in the Conversion Price.

(F) If the Corporation shall make any dividend or distribution on the Common Stock or issue any Common Stock, other capital stock or other security of the Corporation or any rights or warrants to purchase or acquire any such security, which transaction does not result in an adjustment to the Conversion Price pursuant to the foregoing provisions of this Section 9, the Board of Directors of the Corporation shall consider whether such action is of such a nature that an adjustment to the Conversion Price should equitably be made in respect of such transaction. If in such case the Board of Directors of the Corporation determines that an adjustment to the Conversion Price should be made, an adjustment shall be made effective as of such date, as determined by the Board of Directors of the Corporation. The determination of the Board of Directors of the Corporation as to whether an adjustment to the Conversion Price should be made pursuant to the foregoing provisions of this paragraph (F), and, if so, as to what adjustment should be made and when, shall be final and binding on the Corporation and all shareholders of the Corporation. The Corporation shall be entitled to make such additional adjustments in the Conversion Price, in addition to those required by the foregoing provisions of this Section 9, as shall be necessary in order that any dividend or distribution in shares of capital stock of the Corporation, subdivision, reclassification or combination of shares of stock of the Corporation or any recapitalization of the Corporation shall not be taxable to the holders of the Common Stock.

(G) For purposes of this amendment to the Amended Articles of Incorporation, the following definitions shall apply:

"Business Day" shall mean each day that is not a Saturday, Sunday or a day on which state or federally chartered banking institutions in New York, New York, are not required to be open.

"Current Market Price" of publicly traded shares of Common Stock or any other class of capital stock or other security of the Corporation or any other issuer for any day shall mean the last reported sales price, regular way, or, in the event that no sale takes place on such day, the average of the reported closing bid and asked prices, regular way, in either case as reported on the New York Stock Exchange Composite Tape or, if such security is not listed or admitted to trading on the New York Stock Exchange, on the principal national securities exchange on which such security is listed or admitted to trading or, if not listed or admitted to trading on any national securities exchange, on the National Market System of the National Association of Securities Dealers, Inc. Automated Quotation System ("NASDAQ") or, if such security is not quoted on such National Market System, the average of the closing bid and asked prices on each such day in the over-the-counter market as reported by NASDAQ or, if bid and asked prices for such security on each such day shall not have been reported through NASDAQ, the average of the bid and asked prices for such day as furnished by any New York Stock Exchange member firm regularly making a market in such security selected for such purpose by the Board of Directors of the Corporation or a committee thereof, in each case, on each trading day during the Adjustment Period.

"Adjustment Period" shall mean the period of five (5) consecutive trading days preceding, and including, the date as of which the Fair Market Value of a security is to be determined. The "Fair Market Value" of any security which is not publicly traded or of any other property shall mean the fair value thereof as determined by an independent investment banking or appraisal firm experienced in the valuation of such securities or property selected in good faith by the Board of Directors or a committee thereof, or, if no such investment banking or appraisal firm is in the good faith judgment of the Board of Directors or such committee available to make such determination, as determined in good faith by the Board of Directors or such committee.

"Extraordinary Distribution" shall mean any dividend or other distribution to holders of Common Stock (effected while any of the shares of the Series B Preferred Stock are outstanding) (i) of cash where the aggregate amount of such cash dividend or distribution together with the amount of all cash dividends and distributions made during the preceding period of 12 months, when combined with the aggregate amount of all Pro Rata Repurchases (for this purpose, including only that portion of the aggregate purchase price of such Pro Rata Repurchase which is in excess of the Fair Market Value of the Common Stock repurchased as determined on the applicable expiration date (including all extensions thereof) of any tender offer or exchange offer which is a Pro Rata Repurchase, or the date of purchase with respect to any other Pro Rata Repurchase which is not a tender offer or exchange offer made during such period), exceeds twelve and one-half percent (12½%) of the aggregate Fair Market Value of all shares of Common Stock outstanding on the day before the ex-dividend date with respect to such Extraordinary Distribution which is paid in cash and on the distribution date with respect to an Extraordinary Distribution which is paid other than in cash; *provided,* that in no event shall a regularly scheduled quarterly dividend not exceeding 125% of the average

quarterly dividend for the four quarters immediately preceding such dividend constitute an Extraordinary Distribution resulting in an adjustment of the Conversion Price hereunder, and/or (ii) of any shares of capital stock of the Corporation (other than shares of Common Stock), other securities of the Corporation (other than securities of the type referred to in paragraph (B) or (C) of this Section 9), evidences of indebtedness of the Corporation or any other person or any other property (including shares of any subsidiary of the Corporation) or any combination thereof. The Fair Market Value of an Extraordinary Distribution for purposes of paragraph (D) of this Section 9 shall be equal to the sum of the Fair Market Value of such Extraordinary Distribution plus the amount of any cash dividends (other than regularly scheduled dividends not exceeding 125% of the aggregate quarterly dividends for the preceding period of 12 months) which are not Extraordinary Distributions made during such 12-month period and not previously included in the calculation of an adjustment pursuant to paragraph (D) of this Section 9.

"Fair Market Value" shall mean, as to shares of Common Stock or any other class of capital stock or securities of the Corporation or any other issuer which are publicly traded, the average of the Current Market Prices of such shares or securities for each day of the Adjustment Period.

"Non-Dilutive Amount" in respect of any issuance, sale or exchange by the Corporation of any right or warrant to purchase or acquire shares of Common Stock (including any security convertible into or exchangeable for shares of Common Stock) shall mean the difference between (i) the product of the Fair Market Value of a share of Common Stock on the day preceding the first public announcement of such issuance, sale or exchange multiplied by the maximum number of shares of Common Stock which could be acquired on such date upon the exercise in full of such rights and warrants (including upon the conversion or exchange of all such convertible or exchangeable securities), whether or not exercisable (or convertible or exchangeable) at such date, and (ii) the aggregate amount payable pursuant to such right or warrant to purchase or acquire such maximum number of shares of Common Stock; *provided, however,* that in no event shall the Non-Dilutive Amount be less than zero. For purposes of the foregoing sentence, in the case of a security convertible into or exchangeable for shares of Common Stock, the amount payable pursuant to a right or warrant to purchase or acquire shares of Common Stock shall be the Fair Market Value of such security on the date of the issuance, sale or exchange of such security by the Corporation.

"Pro Rata Repurchase" shall mean any purchase of shares of Common Stock by the Corporation or any subsidiary thereof, whether for cash, shares of capital stock of the Corporation, other securities of the Corporation, evidences of indebtedness of the Corporation or any other person or any other property (including shares of a subsidiary of the Corporation), or any combination thereof, effected while any of the shares of Series B Preferred Stock are outstanding, pursuant to any tender offer or exchange offer subject to Section 13(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or any successor provision of law, or pursuant to any other offer available to substantially all holders of Common Stock, other than any such purchase effected prior to June 29, 1989; *provided, however,* that no purchase of shares by the Corporation or any subsidiary thereof made in open market transactions shall be deemed a Pro Rata Repurchase. For purposes of this paragraph (G) of this Section 9, shares shall be deemed to have been purchased by the Corporation or any subsidiary thereof "in open market transactions" if they have been purchased substantially in accordance with the requirements of Rule 10b-18 as in effect under the Exchange Act on the date shares of Series B Preferred Stock are initially issued by the Corporation, or on such other terms and conditions as the Board of Directors or a committee thereof shall have determined are reasonably designed to prevent such purchases from having a material effect on the trading market for the Common Stock.

(H) In the event that the Board of Directors of the Corporation adjusts the number of outstanding shares of Series B Preferred Stock in accordance with Section 3 hereof, then in lieu of any other adjustment to the Conversion Price pursuant to this Section 9, the Board of Directors of the Corporation may make such other adjustments as they deem appropriate. The determination of the Board of Directors of the Corporation as to whether an adjustment should be made pursuant to the foregoing sentence of this paragraph (H), and, if so, as to what adjustment should be made and when, shall be final and binding on the Corporation and all shareholders of the Corporation.

(I) Whenever an adjustment to the Conversion Price and the related voting rights of Series B Preferred Stock is required pursuant to this Amendment, the Corporation shall forthwith place on file with the transfer agent for the Common Stock and the Series B Preferred Stock, and with the Secretary of the Corporation, a statement signed by two officers of the Corporation stating the adjusted Conversion Price determined as provided herein and the resulting conversion ratio, and the voting rights (as appropriately adjusted), of the Series B Preferred Stock. Such statement shall set forth in reasonable detail such facts as shall be necessary to show the reason and the manner of computing such adjustment, including any determination of Fair Market Value involved in such computation. Promptly after each adjustment to the Conversion Price and the related voting rights of the shares of the Series B Preferred Stock, the Corporation shall mail a notice thereof and of the then prevailing conversion ratio to each holder of shares of Series B Preferred Stock.

Section 10. Ranking; Attributable Capital and Adequacy of Surplus; Retirement of Shares

(A) The Series B Preferred Stock shall rank senior to the Common Stock as to the payment of dividends and the distribution of assets on liquidation, dissolution and winding up of the Corporation, and, unless otherwise provided in the Amended Articles, as the same may be amended, or a Certificate of Amendment relating to a subsequent series of Preferred Stock without par value, of the Corporation, the Series B Preferred Stock shall rank junior to all series of the Corporation's Preferred Stock, without par value, as to the payment of dividends and the distribution of assets on liquidation, dissolution or winding up.

(B) In addition to any vote of shareholders required by law or by Section 3(B) of this Amendment, the vote of the holders of a majority of the outstanding shares of Series B Preferred Stock shall be required to increase the par value of the Common Stock or otherwise increase the capital of the Corporation allocable to the Common Stock for the purpose of the Indiana Business Corporation Law ("BCL") if, as a result thereof, the surplus of the Corporation for purposes of the BCL would be less than the amount of Preferred Dividends that would accrue on the then outstanding shares of Series B Preferred Stock during the following three years.

(C) Any shares of Series B Preferred Stock acquired by the Corporation by reason of the conversion or redemption of such shares as herein provided, or otherwise so acquired, shall be retired as shares of Series B Preferred Stock and restored to the status of authorized but unissued shares of Preferred Stock, without par value, of the Corporation, undesignated as to series, and may thereafter be reissued as part of a new series of such Preferred Stock as permitted by law.

Section 11. Miscellaneous

(A) All notices referred to herein shall be in writing, and all notices hereunder shall be deemed to have been given upon the earlier of delivery thereof if by hand delivery, by courier or by standard form of telecommunication or three (3) Business Days after the mailing thereof if sent by registered mail (unless first-class mail shall be specifically permitted for such notice under the terms hereof) with postage prepaid, addressed: (i) if to the Corporation, to its office at 345 South High Street, P.O. Box 2407, Muncie, Indiana 47302-0407 (Attention: General Counsel), or to the transfer agent for the Series B Preferred Stock, or other agent of the Corporation designated as permitted hereby or (ii) if to any holder of the Series B Preferred Stock or Common Stock, as the case may be, to such holder at the address of such holder as listed in the stock record books of the Corporation (which may include the records of any transfer agent for the Series B Preferred Stock or Common Stock, as the case may be) or (iii) to such other address as the Corporation or any such holder, as the case may be, shall have designated by notice similarly given.

(B) The term "Common Stock" as used in this Amendment means the Corporation's Common Stock, without par value, as the same exists at the date of filing of this Amendment, or any other class of stock resulting from successive changes or reclassifications of such Common Stock consisting solely of changes in par value, or from par value to no par value, or from no par value to par value. In the event that, at any time as a result of an adjustment made pursuant to Section 9 hereof, the holder of any share of Series B Preferred Stock upon thereafter surrendering such shares for conversion, shall become entitled to receive

any shares or other securities of the Corporation other than shares of Common Stock, the Conversion Price in respect of such other shares or securities so receivable upon conversion of Series B Preferred Stock shall thereafter be adjusted, and shall be subject to further adjustment from time to time, in a manner and on terms as nearly equivalent as practicable to the provisions with respect to Common Stock contained in Section 9 hereof, and the provisions of Sections 1 through 8, 10 and 11 of this Amendment with respect to the Common Stock shall apply on like or similar terms to any such other shares or securities.

(C) The Corporation shall pay any and all stock transfer and documentary stamp taxes that may be payable in respect of any issuance or delivery of shares of Series B Preferred Stock or shares of Common Stock or other securities issued on account of Series B Preferred Stock pursuant hereto or certificates representing such shares or securities. The Corporation shall not, however, be required to pay any such tax which may be payable in respect of any transfer involved in the issuance or delivery of shares of Series B Preferred Stock or Common Stock or other securities in a name other than that in which the shares of Series B Preferred Stock with respect to which such shares or other securities are issued or delivered were registered, or in respect of any payment to any person with respect to any such shares or securities other than a payment, to the registered holder thereof, and shall not be required to make any such issuance, delivery or payment unless and until the person otherwise entitled to such issuance, delivery or payment has paid to the Corporation the amount of any such tax or has established, to the satisfaction of the Corporation, that such tax has been paid or is not payable.

(D) In the event that a holder of shares of Series B Preferred Stock shall not by written notice designate the name in which shares of Common Stock to be issued upon conversion of such shares should be registered or to whom payment upon redemption of shares of Series B Preferred Stock should be made or the address to which the certificate or certificates representing such shares, or such payment, should be sent, the Corporation shall be entitled to register such shares, and make such payment, in the name of the holder of such Series B Preferred Stock as shown on the records of the Corporation and to send the certificate or certificates representing such shares, or such payment, to the address of such holder shown on the records of the Corporation.

(E) Unless otherwise provided in the Amended Articles of Incorporation, as the same may be amended, of the Corporation, all payments in the form of dividends, distributions on voluntary or involuntary dissolution, liquidation or winding up or otherwise made upon the Series B Preferred Stock and any other stock ranking on a parity with the Series B Preferred Stock with respect to such dividend or distribution shall be pro rata, so that amounts paid per share of Series B Preferred Stock and such other stock shall in all cases bear to each other the same ratio that the required dividends, distributions or payments, as the case may be, then payable per share on the Series B Preferred Stock and such other stock bear to each other.

(F) The Corporation may appoint, and from time to time discharge and change, a transfer agent for the Series B Preferred Stock. Upon any such appointment or discharge of a transfer agent, the Corporation shall send notice thereof by hand delivery, by courier, by standard form of telecommunication or by first-class mail (postage prepaid), to each holder of record of Series B Preferred Stock.

Section B. Issue and Consideration for Capital Stock

1. The Board of Directors shall have authority to authorize and direct the issuance by the Corporation of shares of Common Stock and Preferred Stock at such times, in such amounts, to such persons, for such consideration, and upon such terms and conditions as it may determine, subject to the restrictions, limitations, conditions and requirements imposed by the provisions of these Amended Articles, by the provisions of the resolutions authorizing the issuance of any series of shares of Preferred Stock adopted by the Board of Directors, or by the provisions of The Indiana General Corporation Act.

2. When payment of the consideration for which any share or shares of stock so authorized to be issued shall have been received by the Corporation, such share or shares shall be declared and taken to be fully paid and not liable to any further call or assessment, and the holder or holders thereof shall not be liable for any further payments thereon.

Section C. No Preemptive Rights

The shareholders shall have no preemptive rights to subscribe to or purchase any additional issues of shares of the capital stock of the Corporation nor any shares of the capital stock of the Corporation purchased or acquired by the Corporation and not canceled but held as treasury stock.

ARTICLE VII
Voting Rights of Capital Stock

Section A. Common Stock

Each owner of record (as of the record date fixed by the Bylaws or the Board of Directors for any such determination of shareholders) of shares of the Common Stock shall have one (1) vote for each share of Common Stock standing in his, her or its name on the books of the Corporation with respect to each matter to be voted on, including the election of Directors and on matters referred to the shareholders, in any meeting of the shareholders.

Section B. Preferred Stock

Subject to the requirements of The Indiana General Corporation Act or applicable regulations of the New York Stock Exchange, Inc., the Midwest Stock Exchange, Inc., or other exchanges on which the Corporation's capital stock may be listed, holders of Preferred Stock shall have such voting rights as may be determined and designated by the Board of Directors in accordance with Article VI of these Amended Articles of Incorporation.

Section C. No Cumulative Voting

No holder of shares of Common Stock shall have any right of cumulative voting.

ARTICLE VIII
Stated Capital

The amount of stated capital of the Corporation at the time of filing of these Amended Articles is at least One Thousand Dollars ($1,000).

ARTICLE IX
Directors

Section A. Number and Term

The maximum number of directors shall be fifteen (15) and the minimum number shall be nine (9). The exact number may from time to time be specified by the Bylaws of the Corporation at not less than nine (9) nor more than fifteen (15). If the number of directors is not specified by the Bylaws, the number shall be twelve (12). Subject to the rights, if any, of the holders of shares of any class or series of Preferred Stock then outstanding to elect directors under specified circumstances as may be required by The Indiana General Corporation Act or applicable regulations of the New York Stock Exchange, Inc., the Midwest Stock Exchange, Inc., or other exchanges on which the Corporation's capital stock may be listed, the directors shall be classified, with respect to the time for which they severally hold office, into three (3) classes, as nearly equal in number as possible, as shall be specified by the Bylaws, one (1) class to be originally elected for a term expiring at the Annual Meeting of Shareholders to be held in 1986, another class to be originally elected for a term expiring at the Annual Meeting of Shareholders to be held in 1987, and another class to be originally elected for a term expiring at the Annual Meeting of Shareholders to be held in 1988, with each director to hold office until his successor is elected and qualified. At each Annual Meeting of Shareholders of the Corporation, the successor of each director whose term expires at that Meeting shall be elected to hold office for a term expiring at the Annual Meeting of Shareholders held in the third year following the year of his election, or until his successor is elected and qualified.

Section B. Qualifications

Directors need not be shareholders of the Corporation. A majority of the directors at any time shall be citizens of the United States.

Section C. Vacancies

Subject to the rights, if any, of the holders of shares of any class or series of Preferred Stock then outstanding to elect directors under specified circumstances as may be required by The Indiana General Corporation Act or applicable regulations of the New York Stock Exchange, Inc., the Midwest Stock Exchange, Inc., or other exchanges on which the Corporation's capital stock may be listed, newly created directorships resulting from any increase in the number of directors and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause shall be filled by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors. Any director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the class of directors in which the new

directorship was created or the vacancy occurred and until such director's successor shall have been elected and qualified. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

Section D. Removal

Subject to the rights, if any, of the holders of any class or series of Preferred Stock then outstanding to elect directors under specified circumstances as may be required by The Indiana General Corporation Act or applicable regulations of the New York Stock Exchange, Inc., the Midwest Stock Exchange, Inc., or other exchanges on which the Corporation's capital stock may be listed, any director may be removed from office, but only for cause and only by the affirmative vote of the holders of at least three-fourths of the combined voting power of the outstanding shares of stock entitled to vote generally in the election of directors, voting together as a single class.

Section E. Amendment

Notwithstanding anything contained in these amended Articles of Incorporation to the contrary, the affirmative vote of the holders of at least three-fourths of the combined voting power of the outstanding shares of stock entitled to vote generally in the election of directors, voting together as a single class, shall be required to alter, amend or adopt any provision inconsistent with or to repeal this Article IX.

ARTICLE X

Names and Addresses of Directors

The names and post-office addresses of the Corporation's Board of Directors holding office at the time of adoption of these Amended Articles are as follows:

Name	Number and Street	City and State
Howard M. Dean	3600 North River Road	Franklin Park, Illinois
John W. Fisher	345 South High Street	Muncie, Indiana
Richard M. Gillett	One Vandenberg Center	Grand Rapids, Michigan
Henry C. Goodrich	1900 Fifth Avenue, North	Birmingham, Alabama
A. Malcolm McVie	3731 Bay Road, North Drive	Indianapolis, Indiana
Robert H. Mohlman	3860 East 79th Street	Indianapolis, Indiana
Alvin M. Owsley, Jr.	3000 One Shell Plaza	Houston, Texas
William L. Peterson	345 South High Street	Muncie, Indiana
Richard M. Ringoen	345 South High Street	Muncie, Indiana
Delbert C. Staley	400 Westchester Avenue	White Plains, New York
William P. Stiritz	Checkerboard Square	St. Louis, Missouri

ARTICLE XI

Names and Addresses of the Chairman of the Board, the President and Chief Executive Officer, and the Corporate Secretary

The names and post-office addresses of the Corporation's Chairman of the Board, the President and Chief Executive Officer, and the Corporate Secretary at the time of adoption of these Amended Articles are as follows:

Name	Number and Street	City and State
John W. Fisher Chairman of the Board	345 South High Street	Muncie, Indiana
Richard M. Ringoen President and Chief Executive Officer	345 South High Street	Muncie, Indiana
George A. Sissel Corporate Secretary	345 South High Street	Muncie, Indiana

ARTICLE XII

Provisions for Regulations of Business and Conduct of Affairs of the Corporation

Section A. Meetings

Meetings of the shareholders and the directors of this Corporation may be held either within or without the State of Indiana, and at such place as the Bylaws shall provide or, in default of such provisions, at such place as the Board of Directors shall designate.

Section B. Indemnification

Indemnification of directors, officers and employees shall be as follows:

1. The Corporation shall indemnify each person who is or was a director, officer or employee of the Corporation, or of any other corporation, partnership, joint venture, trust or other enterprise which he is serving or served in any capacity at the request of the Corporation, against any and all liability and reasonable expense that may be incurred by him in connection with or resulting from any claim, actions, suit or proceeding (whether actual or threatened, brought by or in the right of the corporation or such other corporation, partnership, joint venture, trust or other enterprise, or otherwise, civil, criminal, administrative, investigative, or in connection with an appeal relating thereto), in which he may become involved, as a party or otherwise, by reason of his being or having been a director, officer or employee of the Corporation or of such other corporation, partnership, joint venture, trust or other enterprise or by reason of any past or future action taken or not taken in his capacity as such director, officer or employee, whether or not he continues to be such at the time such liability or expense is incurred, provided that such person acted in good faith and in a manner he reasonably believed to be in the best interests of the Corporation or such other corporation, partnership, joint venture, trust or other enterprise, as the case may be, and, in addition, in any criminal action or proceedings, had no reasonable cause to believe that his conduct was unlawful. Notwithstanding the foregoing, there shall be no indemnification (a) as to amounts paid or payable to the Corporation or such other corporation, partnership, joint venture, trust or other enterprise, as the case may be, for or based upon the director, officer or employee having gained in fact any personal profit or advantage to which he was not legally entitled; (b) as to amounts paid or payable to the Corporation for an accounting of profits in fact made from the purchase or sale of securities of the corporation within the meaning of Section 16 (b) of the Securities Exchange Act of 1934 and amendments thereto or similar provisions of any state statutory law; or (c) with respect to matters as to which indemnification would be in contravention of the laws of the State of Indiana or of the United States of America whether as a matter of public policy or pursuant to statutory provisions.

2. Any such director, officer or employee who has been wholly successful, on the merits or otherwise, with respect to any claim, action, suit or proceeding of the character described herein shall be entitled to indemnification as of right, except to the extent he has otherwise been indemnified. Except as provided in the preceding sentence, any indemnification hereunder shall be granted by the Corporation, but only if (a) the Board of Directors, acting by a quorum consisting of directors who are not parties to or who have been wholly successful with respect to such claim, action, suit or proceeding, shall find that the director, officer or employee has met the applicable standards of conduct set forth in paragraph 1 of this Section B of Article XII; or (b) outside legal counsel engaged by the Corporation (who may be regular counsel of the Corporation) shall deliver to the corporation its written opinion that such director, officer or employee has met such applicable standards of conduct; or (c) a court of competent jurisdiction has determined that such director, officer or employee has met such standards, in an action brought either by the Corporation, or by the director, officer or employee seeking indemnification, applying *de novo* such applicable standards of conduct. The termination of any claim, action, suit or proceeding, civil or criminal, by judgment, settlement (whether with or without court approval) or conviction or upon a plea of guilty or of *nolo contendere,* or its equivalent, shall not create a presumption that a director, officer or employee did not meet the applicable standards of conduct set forth in paragraph 1 of this Section B of Article XII.

3. As used in this Section B of Article XII, the term “liability” shall mean amounts paid in settlement or in satisfaction of judgments or fines or penalties, and the term “expense” shall include, but shall not be limited to, attorneys’ fees and disbursements, incurred in connection with the claim, action, suit or proceeding. The Corporation may advance expenses to, or where appropriate may at its option and expense undertake the defense of, any such director, officer or employee upon receipt of an undertaking by or on behalf of such person to repay such expenses if it should ultimately be determined that the person is not entitled to indemnification under this Section B of Article XII.

4. The provisions of this Section B of Article XII shall be applicable to claims, actions, suits or proceedings made or commenced after the adoption hereof, whether arising from acts or omissions to act occurring before or after the adoption hereof. If several claims, issues or matters of

action are involved, any such director, officer or employee may be entitled to indemnification as to some matters even though he is not so entitled as to others. The rights of indemnification provided hereunder shall be in addition to any rights to which any director, officer or employee concerned may otherwise be entitled by contract or as a matter of law, and shall inure to the benefit of the heirs, executors and administrators of any such director, officer or employee.

ARTICLE XIII
Fair Price, Form of Consideration and Procedural Safeguards for Certain Related Party Business Combinations

Section A. Higher Vote Required for Certain Related Party Business Combinations

1. In addition to any affirmative vote required by law or under these Amended Articles of Incorporation, and except as otherwise expressly provided in Section B of this Article XIII, any Related Party Business Combination (as hereinafter defined) shall require the affirmative vote of the holders of at least three-fourths of the Voting Stock (as hereinafter defined), voting together as a single class. For purposes of this Article XIII, each share of Voting Stock shall have the number of votes granted to it pursuant to these Amended Articles of Incorporation.

2. Such affirmative votes shall be required notwithstanding the fact that no vote may be required, or that a lesser percentage or separate class vote may be specified, by law or in any agreement with any national securities exchange or otherwise.

Section B. When Higher Vote Not Required

The provisions of Section A of this Article XIII shall not be applicable to any particular Related Party Business Combination, and such Related Party Business Combination shall require only such affirmative vote as is required by law or any other provision of these Amended Articles of Incorporation or the Bylaws of the Corporation, or any agreement with any national securities exchange, if all of the conditions specified in either of the following subparagraphs 1 or 2 are met:

1. *Approval of Disinterested Directors.* The Related Party Business Combination shall have been expressly approved by a majority (whether such approval is made prior to or subsequent to the acquisition of beneficial ownership of the Voting Stock that caused the Related party, as hereinafter defined, to become a Related Party) of the Disinterested Directors (as hereinafter defined); or

2. *Fair Price, Form of Consideration and Procedural Requirements.* All of the following conditions shall have been met:

(A) The aggregate amount of the cash and the Fair Market Value (as hereinafter defined) as of the date of the consummation of the Related Party Business Combination (the "Consummation Date") of consideration other than cash to be received per share by holders of shares of any class or series of Capital Stock (as hereinafter defined) in such Related Party Business Combination shall be at least equal to the highest of the following (it being intended that the requirements of this subparagraph 2. (A) shall be required to be met with respect to every class or series of outstanding Capital Stock, whether or not the Related Party has previously acquired beneficial ownership of any shares of a particular class or series of Capital Stock):

(1) (if applicable) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by or on behalf of the Related Party for any shares of such class or series of Capital Stock acquired by or on behalf of the Related Party (a) within the two-year period immediately prior to the first public announcement of the proposal of the Related Party Business Combination (the "Announcement Date") or (b) in the transaction in which it became a Related Party, whichever is higher;

(2) the Fair Market Value per share of such class or series of Capital Stock on the Announcement Date or on the date on which the Related Party became a Related Party (the "Determination Date"), whichever is higher;

(3) (if applicable) the price per share equal to the Fair Market Value per share of such class or series of Capital Stock determined pursuant to the immediately preceding clause (2), multiplied by the ratio calculated by dividing (a) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by or on behalf of the Related Party for any share of such class or series of Capital Stock in connection with the acquisition by the Related party of beneficial ownership of shares of such class or series of Capital Stock within the two-year period immediately prior to the Announcement Date by (b) the Fair Market Value per share of

such class or series of Capital Stock on the first day in such two-year period on which the Related Party acquired beneficial ownership of any share of such class or series of Capital Stock;

(4) in the case of Common Stock, the Corporation's net income per share of Common Stock for the four full consecutive fiscal quarters immediately preceding the Announcement Date, multiplied by the higher of the then price/earnings multiple (if any) of such Related Party or the highest price/earnings multiple of the corporation within the two-year period immediately preceding the Announcement Date (such price/earnings multiples being determined as customarily computed and reported in the financial community); or

(5) in the case of any class or series of Capital Stock other than Common Stock,, the highest preferential amount per share to which the holders of shares of such class or series of Capital Stock are entitled in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation.

All per share prices shall be adjusted for any intervening stock splits, stock dividends and reverse stock splits.

(B) The consideration to be received by holders of a particular class or series of Capital Stock shall be in cash or in the same form as the Related Party has previously paid for shares of such particular stock. If the Related Party has paid for shares of any class or series of Capital Stock with varying forms of consideration, the form of consideration for such particular stock shall be either cash or the form used to acquire the largest number of shares of such particular stock previously acquired by it.

(C) After such Related Party has become a Related Party and prior to the Consummation Date:

(1) there shall have been (a) no reduction in the annual rate of dividends paid on the Common Stock (except as necessary to reflect any subdivision of Common Stock), except as approved by a majority of the Disinterested Directors, and (b) an increase in such annual rate of dividends as necessary to reflect any reclassification (including any reverse stock split), recapitalization, reorganization or any similar transaction which has the effect of reducing the number of outstanding shares of the Common Stock, unless the failure so to increase such annual rate is approved by a majority of the Disinterested Directors;

(2) there shall have been no failure to declare and pay at the regular date therefor any full quarterly dividends (whether or not cumulative) payable in accordance with the terms of any other outstanding class or series of Capital Stock, except as approved by a majority of the Disinterested Directors; and

(3) such Related Party shall have not become the beneficial owner of any additional shares of Capital Stock, except as part of the transaction which results in such Related Party becoming a Related Party.

(D) After such Related Party has become a Related Party, such Related Party shall not have received the benefit, directly or indirectly (except proportionately as a shareholder), of any loans, advances, guaranties, pledges or other financial assistance or any tax credits or other tax advantages provided by the Corporation, whether in anticipation of or in connection with such Related Party Business Combination, or otherwise.

(E) A proxy or information statement describing the proposed Related Party Business Combination and complying with the requirements of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (or any subsequent provisions replacing such Act, rules or regulations) shall be mailed to public shareholders of the Corporation at least 30 calendar days prior to the consummation of such Related Party Business Combination (whether or not such proxy or information statement is required to be mailed pursuant to such Act or subsequent provisions). The proxy or information statement shall contain on the first page thereof, in a prominent place, any statement as to the advisability (or inadvisability) of the Related Party Business Combination that the Disinterested Directors, or any of them, may choose to make and, if deemed advisable by a majority of the Disinterested Directors, the opinion of an investment banking firm selected by a majority of the disinterested Directors as to the fairness (or not) of the terms of the Related Party Business Combination from a financial point of view to the holders of the shares of any class or series of Capital Stock other than the Related party and its Affiliates or Associates (as hereinafter defined), such investment banking firm to be paid a reasonable fee for its services by this Corporation.

(F) Such Related Party shall not have made any major change in the Corporation's business or equity capital structure without the approval of a majority of the Disinterested Directors.

Section C. Definitions for Article XIII

For the purposes of this Article XIII:

1. The term "Related Party Business Combination" shall mean any transaction referred to in one or more of the following:

(A) any merger or consolidation of the Corporation or any Subsidiary (as hereinafter defined) with (1) any Related Party or (2) any other corporation (whether or not itself a Related Party) which is, or after such merger or consolidation would be, an Affiliate or Associate (as hereinafter defined) of any Related Party; or

(B) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions) to or with any Related Party or any Affiliate or Associate of any Related Party of any assets of the Corporation or any subsidiary having an aggregate Fair Market Value of Ten Million Dollars ($10,000,000) or more; or

(C) the issuance or transfer by the Corporation or any Subsidiary (in one transaction or a series of transactions) of any securities having an aggregate Fair Market Value of Ten Million Dollars ($10,000,000) or more of the Corporation or any subsidiary to any Related Party or any Affiliate or Associate of any Related Party in exchange for cash, securities or other property (or combination thereof); or

(D) the adoption of any plan or proposal for the liquidation or dissolution of the Corporation proposed by or on behalf of any Related Party or any Affiliate or Associate of any Related Party; or

(E) any reclassification of securities (including any reverse stock split), or recapitalization of the Corporation, or any merger or consolidation of the Corporation with any of its Subsidiaries or any other transaction (whether or not with or into or otherwise involving a Related Party or any Affiliate or Associate of any Related Party) which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of the Corporation or any Subsidiary which is directly or indirectly owned by any Related Party or any Affiliate or Associate of any Related Party; or

(F) any agreement, contract or other arrangement providing for any one or more of the actions specified in the foregoing clauses (A) through (E).

2. The term "Related Party" shall mean any person (other than the Corporation or any Subsidiary, and other than any profit-sharing, employee stock ownership or other employee benefit plan of the Corporation or any Subsidiary or any trustee of or fiduciary with respect to any such plan when acting in such capacity) who or which:

(A) is the beneficial owner (as hereinafter defined) of more than ten percent (10%) of the voting power of the outstanding Voting Stock; or

(B) is an Affiliate or Associate of the Corporation and at any time within the two-year period immediately prior to the date in question was the beneficial owner, directly or indirectly, of ten percent (10%) or more of the voting power of the then outstanding Voting Stock; or

(C) is an assignee of or has otherwise succeeded to any shares of Voting Stock which were at any time within the two-year period immediately prior to the date in question beneficially owned by any Related Party, if such assignment or succession shall have occurred in the course of a transaction or series of transactions not involving a public offering within the meaning of the Securities Act of 1933, as amended.

For purposes of determining whether a person is a Related Party, the number of shares of Voting Stock deemed to be outstanding shall include shares deemed owned through application of Section C.4., hereof, but shall not include any other shares of Voting Stock which may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

3. The term "person" shall mean any individual, firm, partnership, trust, corporation or other entity and shall include any group comprised of any person and any other person with whom such person or any Affiliate or Associate of such person has any agreement, arrangement or understanding, directly or indirectly, for the purpose of acquiring, holding, voting or disposing of Voting Stock.

4. A person shall be a "beneficial owner" of any Voting Stock:

(A) which such person or any of its Affiliates or Associates beneficially owns, directly or indirectly; or

(B) which such person or any of its Affiliates or Associates has (1) the right to acquire (whether such right is exercisable immediately or only after the passage of time)

pursuant to any agreement, arrangement, understanding or relationship or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise; or (2) the right to vote pursuant to any agreement, arrangement, understanding or relationship; or (3) the right to invest, including the power to dispose or to direct the disposition of, pursuant to any agreement, arrangement, understanding or relationship; or

(C) which is beneficially owned, directly or indirectly, by any other person with which such person or any of its Affiliates or Associates has any agreement, arrangement, understanding or relationship for the purpose of acquiring, holding, voting or disposing of any shares of Voting Stock.

5. The term "Affiliate," used to indicate a relationship with a specified person, shall mean a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified.

6. The term "Associate," used to indicate a relationship with a specified person, shall mean:

(A) any corporation or organization (other than the Corporation or a Subsidiary) of which such person is an officer or partner or is, directly or indirectly, the beneficial owner of ten percent (10%) or more of any class of equity securities; or

(B) any trust or other estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar fiduciary capacity; or

(C) any relative or spouse of such person, or any relative of such spouse, who has the same home as such person; or

(D) any person who is a director or officer of such specified person or any of its parents or subsidiaries (other than the Corporation or a Subsidiary).

7. The term "Subsidiary" shall mean any corporation of which a majority of any class of equity security is owned, directly or indirectly, by the Corporation; provided, however, that for the purposes of the definition of Related Party set forth in Section C.2., hereof, the term "Subsidiary" shall mean only a corporation of which a majority of each class of equity security is owned, directly or indirectly, by the Corporation.

8. The term "Disinterested Director" shall mean:

(A) any member of the Board of Directors of the Corporation who is unaffiliated with the Related Party and was a member of the Board of Directors prior to the time that the Related Party became a Related Party; or

(B) any successor of a Disinterested Director who is unaffiliated with the Related Party and is recommended to succeed a Disinterested Director by a majority of Disinterested Directors then on the Board of Directors.

9. The term "Fair Market Value" shall mean:

(A) in the case of stock, the highest closing sale price during the 30-calendar-day period immediately preceding the date in question of a share of such stock on the Composite Tape for New York Stock Exchange-Listed Stocks, or, if such stock is not quoted on the Composite Tape, on the New York Stock Exchange, Inc., or, if such stock is not listed on such Exchange, on the principal United State securities exchange registered under the Securities Exchange Act of 1934, as amended, on which such stock is listed or, if such stock is not listed on any such exchange, the highest closing bid quotation with respect to a share of such stock during the 30-calendar-day period preceding the date in question on the National Association of Securities Dealers, Inc., Automated Quotations System or any system then in use, or if no such quotation is available, the Fair Market Value on the date in question of a share of such stock as determined by a majority of the disinterested Directors in good faith; and

(B) in the case of property other than cash or stock, the Fair Market Value of such property on the date in question as determined by a majority of the Disinterested Directors in good faith.

10. The term "Capital Stock" shall mean all Capital Stock of the Corporation authorized to be issued from time to time under Article V of these Amended Articles of Incorporation, and the term "Voting Stock" shall mean the then outstanding shares of Capital Stock of the Corporation entitled to vote generally in the election of directors.

11. In the event of any Related Party Business Combination in which the Corporation survives, the phrase "other consideration to be received" as used in Sections B.2. (A) and B.2. (B) of this Article XIII shall include the shares of Common Stock and/or the shares of any other class or series of Capital Stock retained by the holders of such shares.

Section D. Determination by the Disinterested Directors

A majority of the Disinterested Directors or, if there should be no Disinterested Directors, a majority of the directors, shall have the power and duty to determine for the purposes of this Article XIII, on the basis of information known to them after reasonable inquiry:

1. Whether a person is a Related Party;

2. The number of shares of Voting Stock beneficially owned by any person;

3. Whether a person is an Affiliate or Associate of another;

4. Whether the assets which are the subject of any Related Party Business Combination have, or the consideration to be received for the issuance or transfer of securities by the Corporation or any Subsidiary in any Related Party Business Combination has, an aggregate Fair Market Value of Ten Million Dollars ($10,000,000) or more; and

5. Such other matters with respect to which a determination is required under this Article XIII.

A majority of the Disinterested Directors or, if there should be no Disinterested Directors, a majority of the directors shall have the further power to interpret all of the terms and provisions of this Article XIII.

Section E. Effect on Fiduciary Obligations

1. Nothing contained in this Article XIII shall be construed to relieve any Related Party from any fiduciary obligation imposed by law.

2. The fact that any Related Party Business Combination complies with the provisions of Section B. of this Article XIII shall not be construed to impose any fiduciary duty, obligation or responsibility on the Board of Directors, or any member thereof, to approve such Related Party Business Combination or recommend its adoption or approval to the shareholders of the Corporation, nor shall such compliance limit, prohibit or otherwise restrict in any manner the Board of Directors, or any member thereof, with respect to evaluations of or actions and responses taken with respect to such Related Party Business Combination.

Section F. Amendment

Notwithstanding any other provision of law, these Amended Articles of Incorporation or the Bylaws of the Corporation, and notwithstanding the fact that a lesser vote may be specified by law, these Amended Articles of Incorporation or the Bylaws of the Corporation, and in addition to any affirmative vote of holders of any class or series of Capital Stock of the Corporation then outstanding which is required by law or by or pursuant to these Amended Articles of Incorporation, the affirmative vote of the holders of at least three-fourths of the combined voting power of the shares of the outstanding Voting Stock, voting together as a single class, shall be required to amend or repeal, or adopt any provisions inconsistent with, this Article XIII; provided, however, that this Section F. shall not apply to, and such three-fourths vote shall not be required for, any amendment, repeal or adoption unanimously recommended by the Board of Directors if all such directors are persons who would be eligible to serve as Disinterested Directors within the meaning of this Article XIII.

ARTICLE XIV

Effect of Amended Articles

These Amended Articles shall supersede and take the place of the heretofore existing Amended Articles of Incorporation of the Corporation.

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Ball Corporation
10 LONGS PEAK DRIVE
BROOMFIELD, COLORADO 80021-2510

Le-43 Rev. 6/05

EXECUTION VERSION

FOURTH AMENDMENT TO CREDIT AGREEMENT

THIS FOURTH AMENDMENT TO CREDIT AGREEMENT (this "Amendment"), dated as of May 9, 2005, is by and among Ball Corporation, an Indiana corporation ("Company"), Ball European Holdings, S.a.r.l., a corporation organized under the laws of Luxembourg ("European Holdco"), Ball Packaging Products Canada Corp., a company organized under the laws of the Province of Nova Scotia ("Canadian Borrower"), Ball Cayman Limited ("Ball Cayman"), a company organized under the laws of the Cayman Islands, the financial institutions signatory hereto in their capacity as Lenders (as defined below) under the Credit Agreement (as defined below) and Deutsche Bank AG, New York Branch, as administrative agent for the Lenders ("Administrative Agent").

W I T N E S S E T H :

WHEREAS, Company, European Holdco, certain subsidiaries of Company (together with Company and European Holdco, "Borrowers"), certain financial institutions (the "Lenders") and Administrative Agent are parties to that certain Credit Agreement dated as of December 19, 2002 (as amended, restated, supplemented or otherwise modified and in effect from time to time, the "Credit Agreement"), pursuant to which the Lenders have provided to Borrowers credit facilities and other financial accommodations; and

WHEREAS, Borrowers desire to create a new class of Multicurrency Revolving Loans and Multicurrency Revolving Commitments (the "New Multicurrency Revolving Loans" and the "New Multicurrency Revolving Commitments", respectively) having identical terms with and having the same rights and obligations as, and in the same aggregate principal amount as the Multicurrency Revolving Loans and Multicurrency Revolving Commitments in each case outstanding immediately prior to the Fourth Amendment Effective Date (as defined below) (the "Existing Multicurrency Revolving Loans" and the "Existing Multicurrency Revolving Commitments", respectively), except as such terms are amended hereby; and

WHEREAS, subject to the terms hereof, the outstanding Existing Multicurrency Revolving Loans will be converted into, or, in the case of Exiting Multicurrency Revolving Lenders (as hereinafter defined), repaid in full with the proceeds of, the New Multicurrency Revolving Loans and the Existing Multicurrency Revolving Commitments will be replaced by the New Multicurrency Revolving Commitments; and

WHEREAS, each Lender having a New Multicurrency Revolving Commitment in excess of its Existing Multicurrency Revolving Commitment as of the Fourth Amendment Effective Date (each such Lender an "Increasing Multicurrency Revolving Lender") shall make New Multicurrency Revolving Loans in the amount of the excess of such Lender's Multicurrency Revolver Pro Rata Share (after giving effect to this Amendment) of Existing Multicurrency Revolving Loans over such Increasing Multicurrency Revolving Lender's outstanding principal amount of Existing Multicurrency Revolving Loans the proceeds of which shall be used by the Borrowers to repay the outstanding principal amount of Existing Multicurrency Revolving Loans of existing Lenders that are not signatories to this Amendment (each such Lender, an "Exiting Multicurrency Revolving Lender"); and

WHEREAS, subject to the terms hereof, each Lender having Existing Multicurrency Revolving Loans outstanding who is signatory to this Amendment (each such Lender a "Continuing Multicurrency Revolving Lender") shall be deemed to have converted its Existing Multicurrency Revolving Loans into New Multicurrency Revolving Loans in the same aggregate principal amount and in the same currency and to have converted such Lender's Multicurrency Revolving Commitment to a New Multicurrency Revolving Commitment in the same aggregate principal amount (plus in the case of any Increasing Multicurrency Revolving Lender, the amount necessary to bring such Lender's total New Multicurrency Revolving Commitment to the amount set forth opposite to such Lender's name on Schedule 1.1(a) attached hereto under the caption "Amount of New Multicurrency Revolving Commitment") and the Multicurrency Revolving Commitments of the Exiting Multicurrency Revolving Lenders shall be terminated; and

WHEREAS, Canadian Borrower desires to create a new class of Canadian Revolving Loans and Canadian Revolving Commitments (the "New Canadian Revolving Loans" and the "New Canadian Revolving Commitments",

respectively) having identical terms with and having the same rights and obligations as, and in the same aggregate principal amount as the Canadian Revolving Loans and Canadian Revolving Commitments in each case outstanding immediately prior to the Fourth Amendment Effective Date (the "Existing Canadian Revolving Loans" and the "Existing Canadian Revolving Commitments", respectively), except as such terms are amended hereby; and

WHEREAS, subject to the terms hereof, the outstanding Existing Canadian Revolving Loans will be converted into, or, in the case of Exiting Canadian Revolving Lenders (as hereinafter defined), repaid in full with the proceeds of, the New Canadian Revolving Loans and the Existing Canadian Revolving Commitments will be replaced by the New Canadian Revolving Commitments; and

WHEREAS, each Lender having a New Canadian Revolving Commitment in excess of its Existing Canadian Revolving Commitment as of the Fourth Amendment Effective Date (each such Lender an "Increasing Canadian Revolving Lender") shall make New Canadian Revolving Loans in the amount of the excess of such Lender's Canadian Revolver Pro Rata Share (after giving effect to this Amendment) of Existing Canadian Revolving Loans over such Increasing Canadian Revolving Lender's outstanding principal amount of Existing Canadian Revolving Loans the proceeds of which shall be used by the Borrowers to repay the outstanding principal amount of Existing Canadian Revolving Loans of existing Lenders that are not signatories to this Amendment (each such Lender, an "Exiting Canadian Revolving Lender"); and

WHEREAS, subject to the terms hereof, each Lender having Existing Canadian Revolving Loans outstanding who is signatory to this Amendment (each such Lender a "Continuing Canadian Revolving Lender") shall be deemed to have converted its Existing Canadian Revolving Loans into New Canadian Revolving Loans in the same aggregate principal amount and in the same currency and to have converted such Lender's Canadian Revolving Commitment to a New Canadian Revolving Commitment in the same aggregate principal amount (plus in the case of any Increasing Canadian Revolving Lender, the amount necessary to bring such Lender's total New Canadian Revolving Commitment to the amount set forth opposite to such Lender's name on Schedule 1.1(a) attached hereto under the caption "Amount of New Canadian Revolving Commitment") and the Canadian Revolving Commitments of the Exiting Canadian Revolving Lenders shall be terminated; and

WHEREAS, Borrowers desire to create a new class of Term A Loans to be referred to as the Term A1 Loans having the same rights and obligations and in the same aggregate principal amount and currencies as the Term A Loans, except as such terms are amended hereby; and

WHEREAS, subject to the terms hereof, each Term A Lender who executes and delivers this Amendment shall be deemed, upon effectiveness of this Amendment, to have exchanged its Term A Loan for a Term A1 Commitment and Term A1 Loan in the principal amount of such Lender's Term A Loan immediately prior to the effectiveness of this Amendment and such Lender shall thereafter become a Term A1 Lender rather than a Term A Lender; and

WHEREAS, each Person who executes and delivers this Amendment as an Additional Term A1 Lender will make Term A1 Loans on the effective date of this Amendment to European Holdco, the proceeds of which will be used by European Holdco to repay in full the outstanding principal amount of Term A Loans of Term A Lenders who do not consent to the exchange of their Term A Loans for Term A1 Loans; and

WHEREAS, Borrowers desire to create a new class of Term B1 Dollar Loans to be referred to as the Term B Dollar Loans having the same rights and obligations and in the same aggregate principal amount as the Term B1 Dollar Loans, except as such terms are amended hereby; and

WHEREAS, subject to the terms hereof, each Term B1 Dollar Lender who executes and delivers this Amendment shall be deemed, upon effectiveness of this Amendment, to have exchanged its Term B1 Dollar Loan for a Term B Dollar Commitment and Term B Dollar Loan in the principal amount of such Lender's Term B1 Dollar Loan immediately prior to the effectiveness of this Amendment and such Lender shall thereafter become a Term B Dollar Lender rather than a Term B1 Dollar Lender; and

WHEREAS, each Person who executes and delivers this Amendment as an Additional Term B Dollar Lender will make Term B Dollar Loans on the effective date of this Amendment to Company, the proceeds of which will be used by Company to repay in full the outstanding principal amount of Term B1 Dollar Loans of Term B1 Dollar Lenders who do not consent to the exchange of their Term B1 Dollar Loans for Term B Dollar Loans; and

WHEREAS, Borrowers desire to create a new class of Term B1 Euro Loans to be referred to as the Term B Euro Loans having the same rights and obligations and in the same aggregate principal amount as the Term B1 Euro Loans, except as such terms are amended hereby; and

WHEREAS, subject to the terms hereof, each Term B1 Euro Lender who executes and delivers this Amendment shall be deemed, upon effectiveness of this Amendment, to have exchanged its Term B1 Euro Loan for a Term B Euro Commitment and Term B Euro Loan in the principal amount of such Lender's Term B1 Euro Loan immediately prior to the effectiveness of this Amendment and such Lender shall thereafter become a Term B Euro Lender rather than a Term B1 Euro Lender; and

WHEREAS, each Person who executes and delivers this Amendment as an Additional Term B Euro Lender will make Term B Euro Loans on the effective date of this Amendment to European Holdco, the proceeds of which will be used by European Holdco to repay in full the outstanding principal amount of Term B1 Euro Loans of Term B1 Euro Lenders who do not consent to the exchange of their Term B1 Euro Loans for Term B Euro Loans; and

WHEREAS, Borrowers shall pay to each Lender all accrued and unpaid interest on its Loans to the date of effectiveness of this Amendment on such date of effectiveness; and

WHEREAS, Ball Cayman wishes to (i) join the Credit Agreement as a Subsidiary Borrower, (ii) except as otherwise expressly set forth in this Amendment, be bound by all covenants, agreements, consents, submissions, appointments and acknowledgements attributable to a Subsidiary Borrower in the Credit Agreement and (iii) except as otherwise expressly set forth in this Amendment, perform all obligations required of it as a Subsidiary Borrower by the Credit Agreement; and

WHEREAS, Borrowers have requested that Administrative Agent and the Lenders amend the Credit Agreement in certain respects as set forth herein and the Lenders and Administrative Agent are agreeable to the same, subject to the terms and conditions hereof.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants contained herein, and other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **Defined Terms**. Terms capitalized herein and not otherwise defined herein are used with the meanings ascribed to such terms in the Credit Agreement.

2. **Amendments to Credit Agreement**. The Credit Agreement is, as of the Fourth Amendment Effective Date, hereby amended as follows:

(a) Amendments to Applicable Margins.

(1) Section 1.1 of the Credit Agreement is amended by inserting the following new definitions in alphabetical order therein:

"Fourth Amendment" means the Fourth Amendment to Credit Agreement dated as of May 9, 2005 by and among the Company, European Holdco, Canadian Borrower, Ball Cayman Limited, a company organized under the laws of the Cayman Islands, the Lenders signatory thereto and the Administrative Agent.

"Fourth Amendment Effective Date" has the meaning set forth in the Fourth Amendment.

"Rating Level" means the applicable Level based on the rating as determined by either S&P or Moody's of the Company's non-credit-enhanced, senior secured long-term debt (collectively, the "Ratings") as set forth in the following table under the column Rating Level opposite the Ratings as of such date; provided that (i) if the Ratings issued by S&P and Moody's would result in different Rating Levels, then the Rating Level shall be determined by reference to the higher of such Ratings (with Level I being the highest and Level IV being the lowest), unless there is a split in Ratings of more than one level, in which case the level that is one level higher than the lower Rating shall apply and (ii) if S&P and/or Moody's shall not have a Rating in effect, such entity shall be deemed to have a Level IV Rating in effect.

Rating Level	**Ratings (S&P/Moody's)**
Level I	BBB-/Baa3 or better
Level II	BB+/Ba1
Level III	BB/Ba2
Level IV	BB-/Ba3 or worse

From and after the Fourth Amendment Effective Date until a publicly announced change in a Rating results in a change to the Rating Level as described below, the Rating Level shall be Level II. Thereafter, each change in the Rating Level resulting from a publicly announced change in a Rating shall be effective, in the case of an upgrade, during the period commencing on the date of delivery by Company to Administrative Agent of notice thereof pursuant to Section 7.3(d) and ending on the date immediately preceding the effective date of the next such change and, in the case of a downgrade, during the period commencing on the date of the public announcement thereof and ending on the date immediately preceding the effective date of the next such change.

(2) Section 1.1 of the Credit Agreement is further amended by amending and restating each of the following definitions to read as follows:

"Applicable B/A Margin" means at any date, the applicable percentage set forth in the following table under column Applicable B/A Margin opposite the Rating Level as of such date:

Rating Level	**Applicable B/A Margin**
Level I	0.75%
Level II	1.00%
Level III	1.25%
Level IV	1.50%

"Applicable Base Rate Margin" means at any date, (i) with respect to Multicurrency Revolving Loans, the applicable percentage set forth in the following table under the column Applicable Base Rate Margin for Multicurrency Revolving Loans opposite the Rating Level as of such date and (ii) with respect to Term B Dollar Loans, the applicable percentage set forth under the column Applicable Base Rate Margin for Term B Dollar Loans opposite the Rating Level as of such date:

Rating Level	**Applicable Base Rate Margin for Multicurrency Revolving Loans**	**Applicable Base Rate Margin for Term B Dollar Loans**
Level I	0%	0%
Level II	0%	0%
Level III	0.25 %	.25 %
Level IV	0.50 %	.50 %

"Applicable Canadian Prime Rate Margin" means at any date, the applicable percentage set forth in the following table under the column Applicable Canadian Prime Rate Margin opposite the Rating Level as of such date:

Rating Level	Applicable Canadian Prime Rate Margin
Level I	0%
Level II	0%
Level III	.25%
Level IV	.50 %

"Applicable Commitment Fee Percentage" means at any date, the applicable percentage set forth in the following table opposite the Rating Level as of such date:

Rating Level	Applicable Commitment Fee Percentage
Level I	0.20%
Level II	0.25%
Level III	0.375 %
Level IV	0.50 %

"Applicable Eurocurrency Margin" means at any date, (i) with respect to Multicurrency Revolving Loans and Term A1 Loans, the applicable percentage set forth in the following table under the column Applicable Eurocurrency Margin for Multicurrency Revolving Loans and Term A1 Loans opposite the Rating Level on such date, (ii) with respect to Term B Dollar Loans, the applicable percentage set forth in the following table under the column Applicable Eurocurrency Margin for Term B Dollar Loans opposite the Rating Level on such date and (iii) with respect to Term B Euro Loans, the applicable percentage set forth in the following table under the column Applicable Eurocurrency Margin for Term B Euro Loans opposite the Rating Level on such date:

Rating Level	Applicable Eurocurrency Margin for Multicurrency Revolving Loans and Term A1 Loans	Applicable Eurocurrency Margin For Term B Dollar Loans	Applicable Eurocurrency Margin For Term B Euro Loans
Level I	0.75%	0.75%	0.75%
Level II	1.00%	1.00%	1.00%
Level III	1.25%	1.25%	1.25%
Level IV	1.50%	1.50%	1.50%

"Lender" and "Lenders" have the meanings assigned to those terms in the introduction to this Agreement and shall include any Person that becomes a "Lender" as contemplated by the Fourth Amendment or Section 12.8.

(b) Use of Revolver for Refinancing of 2006 Senior Notes. Section 1.1 of the Credit Agreement is further amended by deleting the ratio "2.25 to 1.00" contained in clause (v)(A) of the proviso in the definition of "Permitted Refinancing Indebtedness" and inserting in lieu thereof the ratio "3.00 to 1.00".

(c) Increase in Size of Accordion. Section 2.9 of the Credit Agreement is amended by deleting the amount $300,000,000 contained therein and inserting in lieu thereof the amount of $450,000,000.

(d) Notice of Rating Developments. Section 7.3 of the Credit Agreement is amended by inserting a new clause (d) at the conclusion thereof to read as follows:

(d) **Rating Matters.** Any announcement by Moody's or S&P of any change in a Rating.

(e) Increased Basket for Foreign Accounts Receivable Securitizations. Section 8.2(b) of the Credit Agreement is amended by deleting the phrase "the Dollar Equivalent of $125,000,000" and inserting in lieu thereof the amount "€150,000,000".

(f) Permitted Bond or Note Issuance by Foreign Subsidiaries. Section 8.2(r) of the Credit Agreement is amended by amending and restating such section to read as follows:

(r) Indebtedness (i) incurred by European Holdco or Ball Holdings, Sarl a corporation organized under the laws of Luxembourg and a direct Subsidiary of European Holdco, in the form of one or more series of publicly traded or privately placed unsecured bonds or notes in a principal amount not to exceed €250,000,000; provided that (1) the covenants, defaults and similar provisions applicable thereto are no more restrictive in any material respect than the provisions contained in this Agreement and are, taken as a whole, otherwise on market terms and conditions and (2) after giving effect to the incurrence of such Indebtedness on a Pro Forma Basis for the period of four Fiscal Quarters ending with the Fiscal Quarter for which financial statements have most recently been delivered (or were required to be delivered) pursuant to Section 7.1, no Event of Default or Unmatured Event of Default would exist hereunder and any refinancings of such Indebtedness that satisfies the provisions of this Section 8.2(r)(i) and (ii) incurred by European Holdco, Canadian Borrower or any of their Subsidiaries (including any refinancings of such Indebtedness) in addition to that referred to elsewhere in this Section 8.2 in a Dollar Equivalent principal amount not to exceed $50,000,000 in the aggregate.

(g) Increased Basket for Restricted Payments. Section 8.5(a)(iv) of the Credit Agreement is amended by amending and restating such section to read "(iv) $200,000,000;".

(h) Leverage Ratio. Section 9.2 of the Credit Agreement is amended by deleting the ratios "3.25:1.00" and "3.00:1.00" opposite "September 30, 2005" and "December 31, 2005 and the last day of each Fiscal Quarter thereafter" respectively in the table in such section, and replacing each of them with the ratio "3.50:1.00".

(i) Technical Corrections re Eligible Assignees of Canadian Revolving Commitments.

(1) Section 1.1 of the Credit Agreement is further amended by deleting the word "unless" contained in the definition of "Eligible Assignee" and replacing it with the word "if".

(2) Section 12.8(c) of the Credit Agreement is amended by adding the clause "so long as such Affiliate, other Lender or Related Fund is an Eligible Assignee" at the end of the proviso at the conclusion of the first sentence of such section.

(j) Commitment Schedule. Schedule 1.1(a) to the Credit Agreement is amended by adding thereto the information set forth on Schedule 1.1(a) attached to the Fourth Amendment.

(k) Joinder of Ball Cayman as a Subsidiary Borrower.

(1) Ball Cayman hereby acknowledges that it has received and reviewed a copy (in execution form) of the Credit Agreement and the other Loan Documents.

(2) Upon the Fourth Amendment Effective Date, Ball Cayman shall (a) become a Subsidiary Borrower under the Credit Agreement with the same force and effect as if originally named therein as a Subsidiary Borrower, (b) be bound by, and hereby confirms, all covenants, agreements, consents,

submissions, appointments and acknowledgements attributable to a Subsidiary Borrower in the Credit Agreement except as expressly set forth in this Amendment and (c) except as expressly set forth in this Amendment, perform all obligations required of it as a Subsidiary Borrower by the Credit Agreement. It shall be a condition precedent to the initial Credit Event to Ball Cayman that Ball Cayman shall deliver to Administrative Agent all opinions required by Section 12.1(b)(i)(B) of the Credit Agreement. Notwithstanding any provision to the contrary in any Loan Document, Ball Cayman shall not be required to become party to a Guaranty or Pledge Agreement until such time, if any, as such document or documents may be delivered without breach of any material agreement to which Ball Cayman is a party.

(3) Ball Cayman hereby represents and warrants that (a) the representations and warranties with respect to it contained in, or made or deemed made by it in, Article VI of the Credit Agreement are true and correct on the date hereof. and (b) its address and jurisdiction of incorporation are P.O. Box 1034 GT Harbour Place, 103 South Church St., Grand Cayman, Cayman Islands and the Cayman Islands, respectively.

(4) Schedule 1.1(b) to the Credit Agreement is amended by amending and restating such schedule to read as set forth on Schedule 1.1(b) attached hereto and Schedule 1.1(d) is amended by adding thereto the information set forth below:

Ball Cayman Limited, a limited liability company, organized under the laws of the Cayman Islands.

(5) Company hereby agrees that its guarantees contained in Article XIV of the Credit Agreement shall remain in full force and effect after giving effect to the joinder of Ball Cayman as a Subsidiary Borrower.

(l) Multicurrency Revolver Repricing Mechanics.

(1) Section 1.1 of the Credit Agreement is further amended by inserting the following new definitions in alphabetical order therein:

"Continuing Multicurrency Revolving Lender" is defined in the Recitals to the Fourth Amendment.

"Converted Multicurrency Revolving Loans" is defined in Section 2.1(b).

"Existing Multicurrency Revolving Commitments" is defined in the Recitals to the Fourth Amendment.

"Existing Multicurrency Revolving Loans" is defined in the Recitals to the Fourth Amendment.

"Exiting Multicurrency Revolving Lender" is defined in the Recitals to the Fourth Amendment.

"Increasing Multicurrency Revolving Lender" is defined in the Recitals to the Fourth Amendment.

"Multicurrency Revolving Loan Conversion" is defined in Section 2.1(b).

"New Multicurrency Revolving Commitments" has the meaning set forth in the definition of "Multicurrency Revolving Commitment".

"New Multicurrency Revolving Loans" is defined in Section 2.1(b).

(2) Section 1.1 of the Credit Agreement is further amended by amending and restating the definitions of "Multicurrency Revolving Commitment" and "Multicurrency Revolving Facility" to read as follows:

"Multicurrency Revolving Commitment" means, with respect to any Multicurrency Revolving Lender, (i) prior to the Fourth Amendment Effective Date, the obligation of such Multicurrency Revolving Lender to make Multicurrency Revolving Loans and to participate in Letters of Credit, as such commitment may be adjusted from time to time pursuant to this Agreement, which commitment as of the date hereof is the amount set forth opposite such lender's name on Schedule 1.1(a) hereto under the caption "Amount of Multicurrency Revolving Commitment" as the same may be adjusted from time to time pursuant to the terms hereof and "Existing Multicurrency Revolving Commitments" means such commitments collectively and (ii) on and after the Fourth Amendment Effective Date, the obligation of such Multicurrency Revolving Lender to make Multicurrency Revolving Loans and to participate in Letters of Credit, as such commitment may be adjusted from time to time pursuant to this Agreement, which commitment as of the Fourth Amendment Effective Date is the amount set forth opposite such lender's name on Schedule 1.1(a) hereto (as amended pursuant to the Fourth Amendment) under the caption "Amount of New Multicurrency Revolving Commitment" as the same may be adjusted from time to time pursuant to the terms hereof and "New Multicurrency Revolving Commitments" or "Multicurrency Revolving Commitments" means such commitments collectively, which commitments equal $415,000,000 in the aggregate as of the Fourth Amendment Effective Date.

"Multicurrency Revolving Facility" means the credit facility under this Agreement evidenced by the New Multicurrency Revolving Commitments and the Multicurrency Revolving Loans (including, for purposes of clarification, the Converted Multicurrency Revolving Loans).

(3) Section 2.1(b) of the Credit Agreement is hereby amended by deleting the first sentence thereof and replacing it with the following sentences:

Subject to the terms and conditions hereof and of the Fourth Amendment, (A) each Continuing Multicurrency Revolving Lender agrees to convert (each such conversion a "Multicurrency Revolving Loan Conversion") its Existing Multicurrency Revolving Loans into new revolving loans under this Agreement to the same Borrowers and in the same currency in an amount equal to the outstanding principal amount of such Lender's Existing Multicurrency Revolving Loans (in each case, the "Converted Multicurrency Revolving Loans") immediately prior to the Fourth Amendment Effective Date; and (B) each Increasing Multicurrency Revolving Lender agrees to convert its Existing Multicurrency Revolving Loans pursuant to the Multicurrency Revolving Loan Conversion and also agrees to make a new loan in the applicable currency(ies) (each such loan, together with all Converted Multicurrency Revolving Loans, the "New Multicurrency Revolving Loans") to the applicable Borrowers as of the Fourth Amendment Effective Date in the aggregate principal amount equal to the excess of such Lender's Multicurrency Revolver Pro Rata Share (after giving effect to this Amendment) of all Existing Multicurrency Revolving Loans over such Lender's Converted Multicurrency Revolving Loans. The Borrowers, Administrative Agent and Lenders party hereto further acknowledge and agree that on the Fourth Amendment Effective Date, after giving effect to the conversion and/or issuance of Multicurrency Revolving Loans, the aggregate principal amount of Multicurrency Revolving Loans outstanding is equal to $110,000,000. Each Multicurrency Revolving Lender that is not an Exiting Multicurrency Revolving Lender, severally and for itself alone, hereby agrees, on the terms and subject to the conditions hereinafter set forth and in reliance upon the representations and warranties set forth herein and in the other Loan Documents, to make loans to Company, European Holdco and the Subsidiary Borrowers, denominated in Dollars or an Alternative Currency on a revolving basis from time to time during the Commitment Period, in an amount not to exceed its Multicurrency Revolver Pro Rata Share of, with respect to all Borrowers, the Total Available Multicurrency Revolving Commitment and with respect to any applicable Borrower, such Borrower's Available Multicurrency Revolver Sublimit (each such loan by any Lender, a "Multicurrency Revolving Loan" and collectively, together with the New Multicurrency Revolving Loans, the "Multicurrency Revolving Loans"). The applicable Borrower shall pay all accrued and unpaid interest, Commitment Fees and all other amounts then due and payable with respect to the Existing Multicurrency Revolving Loans of the Exiting Multicurrency Revolving Lenders on the Fourth Amendment Effective Date. The Existing Multicurrency Revolving Commitments shall terminate on the expiration of the Fourth Amendment Effective Date after giving effect to the Borrowing (or conversion, as the case may be) of the New Multicurrency Revolving Loans on such date.

(m) Canadian Revolver Repricing Mechanics.

(1) Section 1.1 of the Credit Agreement is further amended by inserting the following new definitions in alphabetical order therein:

"Canadian Revolving Loan Conversion" is defined in Section 2A.1.

"Continuing Canadian Revolving Lender" is defined in the Recitals to the Fourth Amendment.

"Converted Canadian Revolving Loans" is defined in Section 2A.1.

"Existing Canadian Revolving Commitments" has the meaning set forth in the definition of "Canadian Revolving Commitments".

"Existing Canadian Revolving Loans" is defined in the Recitals to the Fourth Amendment.

"Exiting Canadian Revolving Lender" is defined in the Recitals to the Fourth Amendment.

"Increasing Canadian Revolving Lender" is defined in the Recitals to the Fourth Amendment.

"New Canadian Revolving Commitments" has the meaning set forth in the definition of "Canadian Revolving Commitment".

"New Canadian Revolving Loans" is defined in Section 2A.1.

(2) Section 1.1 of the Credit Agreement is further amended by amending and restating the definitions of "Canadian Revolving Commitment" and "Canadian Revolving Facility" to read as follows:

"Canadian Revolving Commitment" means, with respect to any Canadian Revolving Lender, (i) prior to the Fourth Amendment Effective Date, the obligation of such Canadian Revolving Lender to make Canadian Revolving Loans and to participate in Letters of Credit, as such commitment may be adjusted from time to time pursuant to this Agreement, which commitment as of the date hereof is the amount set forth opposite such lender's name on Schedule 1.1(a) hereto under the caption "Amount of Canadian Revolving Commitment" as the same may be adjusted from time to time pursuant to the terms hereof and "Existing Canadian Revolving Commitments" means such commitments collectively and (ii) on and after the Fourth Amendment Effective Date, the obligation of such Canadian Revolving Lender to make Canadian Revolving Loans and to participate in Letters of Credit, as such commitment may be adjusted from time to time pursuant to this Agreement, which commitment as of the Fourth Amendment Effective Date is the amount set forth opposite such lender's name on Schedule 1.1(a) hereto (as amended pursuant to the Fourth Amendment) under the caption "Amount of New Canadian Revolving Commitment" as the same may be adjusted from time to time pursuant to the terms hereof and "New Canadian Revolving Commitments" or "Canadian Revolving Commitments" means such commitments collectively, which commitments equal $35,000,000 in the aggregate as of the Fourth Amendment Effective Date.

"Canadian Revolving Facility" means the credit facility under this Agreement evidenced by the New Canadian Revolving Commitments and the Canadian Revolving Loans (including, for purposes of clarification, the Converted Canadian Revolving Loans).

(3) Section 2A.1 of the Credit Agreement is amended by deleting the first sentence in its entirety and replacing it with the following sentences:

Subject to the terms and conditions hereof and of the Fourth Amendment, (A) each Continuing Canadian Revolving Lender agrees to convert (each such conversion a "Canadian Revolving Loan Conversion") its Existing Canadian Revolving Loans into new revolving loans to Canadian Borrower under this Agreement in Canadian Dollars in an amount equal to the outstanding principal amount of such

Lender's Existing Canadian Revolving Loans (in each case, the "Converted Canadian Revolving Loans") immediately prior to the Fourth Amendment Effective Date; and (B) each Increasing Canadian Revolving Lender agrees to convert its Existing Canadian Revolving Loans pursuant to the Canadian Revolving Loan Conversion and also agrees to make a new loan in Canadian Dollars (each such loan, together with all Converted Canadian Revolving Loans, the "New Canadian Revolving Loans") to Canadian Borrower as of the Fourth Amendment Effective Date in the aggregate principal amount equal to the excess of such Lender's Canadian Revolver Pro Rata Share (after giving effect to the Fourth Amendment) of all Existing Canadian Revolving Loans over such Lender's Converted Canadian Revolving Loans. Canadian Borrower, Administrative Agent and Lenders party hereto further acknowledge and agree that on the Fourth Amendment Effective Date, after giving effect to the conversion and/or issuance of Canadian Revolving Loans, the aggregate principal amount of Canadian Revolving Loans outstanding is equal to $0. Each Canadian Revolving Lender that is not an Exiting Canadian Revolving Lender, severally and for itself alone, hereby agrees, on the terms and subject to the conditions hereinafter set forth and in reliance upon the representations and warranties set forth herein and in the other Loan Documents, to make loans to Canadian Borrower in Canadian Dollars on a revolving basis, including by means of B/As or B/A Equivalent Loans, from time to time during the Canadian Commitment Period, in an amount not to exceed its Canadian Revolver Pro Rata Share of the Total Available Canadian Revolving Commitment (each loan by any Lender, a "Canadian Revolving Loan" and collectively, together with the New Canadian Revolving Loans, the "Canadian Revolving Loans"). The Canadian Borrower shall pay all accrued and unpaid interest, Canadian Commitment Fees and all other amounts then due and payable with respect to Existing Canadian Revolving Loans of the Exiting Canadian Revolving Lenders on the Fourth Amendment Effective Date. The Existing Canadian Revolving Commitments shall terminate on the expiration of the Fourth Amendment Effective Date after giving effect to the Borrowing (or conversion, as the case may be) of the New Canadian Revolving Loans on such date.

(n) Term A Repricing Mechanics.

(1) Section 1.1 of the Credit Agreement is amended by inserting the following new definitions in alphabetical order therein:

"Additional Term A1 Commitment" means, with respect to an Additional Term A1 Lender, the commitment of such Additional Term A1 Lender to make Additional Term A1 Loans on the Fourth Amendment Effective Date, in the amount set forth on Schedule 1.1(a) hereto (as amended pursuant to the Fourth Amendment). The aggregate amount of the Additional Term A1 Commitments shall not be less than the outstanding principal amount of Term A Loans of Lenders who are not Consenting Term A Lenders.

"Additional Term A1 Lender" means a Person with an Additional Term A1 Commitment to make Additional Term A1 Loans to European Holdco on the Fourth Amendment Effective Date.

"Additional Term A1 Loan" means a Loan in Sterling or Euros made pursuant to Section 2.1(a)(vi) on the Fourth Amendment Effective Date.

"Consenting Term A Lender" means each Term A Lender who has executed and delivered the Fourth Amendment on or prior to the Fourth Amendment Effective Date but shall not include any Term A Lender who notifies the Administrative Agent in writing in connection with the delivery of such signature page that it does not consent to the exchange of its Term A Loans for Term A1 Loans.

"Scheduled Term A1 Repayments" means, with respect to the principal payments on the Term A1 Loans for each date set forth below, the Sterling or Euro amount set forth opposite thereto, as reduced from time to time pursuant to Sections 4.3 and 4.4:

Date	Scheduled Term A1 Repayment (Euros)	Scheduled Term A1 Repayment (Sterling)
June 30, 2005	€6,000,000	£3,950,000
September 30, 2005	€6,000,000	£3,950,000
December 31, 2005	€6,000,000	£3,950,000
March 31, 2006	€6,000,000	£3,950,000
June 30, 2006	€6,000,000	£3,950,000
September 30, 2006	€6,000,000	£3,950,000
December 31, 2006	€6,000,000	£3,950,000
March 31, 2007	€6,000,000	£3,950,000
June 30, 2007	€6,000,000	£3,950,000
September 30, 2007	€6,000,000	£3,950,000
Term A1 Loan Maturity Date	€6,000,000	£3,950,000

"Term A1 Commitment" means, with respect to a Consenting Term A Lender, the agreement of such Term A Lender to exchange its Term A Loans for an equal aggregate principal amount of Term A1 Loans on the Fourth Amendment Effective Date pursuant to Section 2.1(a)(vi) hereof, as evidenced by such Term A Lender executing and delivering the Fourth Amendment.

"Term A1 Lender" means, collectively, (i) each Consenting Term A Lender and (ii) each Additional Term A1 Lender or any Lender which is owed a Term A1 Loan (or portion thereof).

"Term A1 Loan" and "Term A1 Loans" means a Loan or Loans, as the context may require, in Euros or Sterling made or deemed made on the Fourth Amendment Effective Date pursuant to Section 2.1(a)(vi).

"Term A1 Loan Maturity Date" means December 19, 2007.

"Term A1 Note" and "Term A1 Notes" have the meanings assigned to those terms in Section 2.2(a).

(2) A new Section 2.1(a)(vi) is hereby added to the Credit Agreement to read as follows:

(vi) Terms A1 Loans.

(A) Subject to the terms and conditions of the Fourth Amendment, each Consenting Term A Lender severally agrees to exchange the principal amount of its Term A Loan outstanding immediately prior to the effectiveness of the Fourth Amendment for a like principal amount in Euros and Sterling of Term A1 Loans on the Fourth Amendment Effective Date.

(B) Subject to the terms and conditions hereof, each Additional Term A1 Lender severally agrees to make Additional Term A1 Loans in Euros and Sterling to European Holdco on the Fourth Amendment Effective Date in a principal amount not to exceed its Additional Term A1 Commitment on the Fourth Amendment Effective Date. European Holdco shall use the gross proceeds of the Additional Term A1 Loans to prepay the remaining Term A Loans which will consist of the Loans of any Term A Lender who is not a Consenting Term A Lender.

(C) European Holdco shall pay all accrued and unpaid interest and all other amounts then due and payable under the Credit Agreement with respect to the Term A Loans of the Term A Lenders who are not Consenting Term A Lenders on the Fourth Amendment Effective Date.

(D) The Term A1 Loans shall have the same terms as the Term A Loans as set forth in the Credit Agreement and Loan Documents, except as modified by the Fourth Amendment. The Additional Term A1 Loans (i) shall be incurred by European Holdco pursuant to a single drawing, which shall be on the Fourth Amendment Effective Date, (ii) shall be denominated in Euros or Sterling, and (iii) shall be made as Loans of the same Type and Interest Period as was in effect with respect to the Term A Loans prior to the conversion or repayment as contemplated hereby. Each Additional Term A1 Lender's Additional Term A1 Commitment shall expire immediately and without further action on the Fourth Amendment Effective Date if the Additional Term A1 Loans are not made on such date and shall terminate in their entirety on the Fourth Amendment Effective Date after giving effect to the Borrowing of such Loans on such date. No amount of a Term A1 Loan which is repaid or prepaid by European Holdco may be reborrowed hereunder. For avoidance of doubt, the Term A1 Loans (and all principal, interest and other amounts in respect thereof), will constitute "Obligations" under the Credit Agreement and Loan Documents and shall have the same rights and obligations under the Credit Agreement and Loan Documents as the Term A Loans which shall cease to be outstanding following the exchange or prepayment in full of such Loans as contemplated hereby.

(3) Section 2.2(a) of the Credit Agreement is hereby amended by deleting the word "and" at the end of clause (7) thereof and by adding the following new clause (8):

and (8) if Term A1 Loans, by a promissory note (each, a "Term A1 Note" and, collectively, the "Term A1 Notes") duly executed and delivered by European Holdco substantially in the form of Exhibit 2.2(a)(8) hereto, with blanks appropriately completed in conformity herewith.

(4) Section 4.4(b) of the Credit Agreement is hereby amended by adding the words "and Term A1" after the words "Term A" in the heading thereof and by adding the following sentence to the end thereof:

European Holdco shall cause to be paid Scheduled Term A1 Repayments on the Term A1 Loans until the Term A1 Loans are paid in full in the amounts and at the times specified in the definition of Scheduled Term A1 Repayments to the extent that prepayments have not previously been applied to such Scheduled Term A1 Repayments (and such Scheduled Term A1 Repayments have not otherwise been reduced) pursuant to the terms hereof.

(5) The Credit Agreement is hereby amended by adding a new Exhibit 2.2(a)(8) in the form of Exhibit 2.2(a)(8) attached to this Fourth Amendment.

(o) Term B Dollar Repricing Mechanics.

(1) Section 1.1 of the Credit Agreement is further amended by inserting the following new definitions in alphabetical order therein:

"Additional Term B Dollar Commitment" means, with respect to an Additional Term B Dollar Lender, the commitment of such Additional Term B Dollar Lender to make Additional Term B Dollar Loans on the Fourth Amendment Effective Date, in the amount in Dollars set forth on Schedule 1.1(a) hereto (as amended pursuant to the Fourth Amendment). The aggregate amount of the Additional Term B Dollar Commitments shall not be less than the outstanding principal amount of Term B1 Dollar Loans of Lenders who are not Consenting Term B1 Dollar Lenders.

"Additional Term B Dollar Lender" means a Person with an Additional Term B Dollar Commitment to make Additional Term B Dollar Loans to the Company on the Fourth Amendment Effective Date.

"Additional Term B Dollar Loan" means a Loan in Dollars made pursuant to Section 2.1(a)(ii) on the Fourth Amendment Effective Date.

"Consenting Term B1 Dollar Lender" means each Term B1 Dollar Lender who has executed and delivered the Fourth Amendment on or prior to the Fourth Amendment Effective Date but shall not include any Term B1 Dollar Lender who notifies the Administrative Agent in writing in connection with the delivery of such signature page that it does not consent to the exchange of its Term B1 Dollar Loans for Term B Dollar Loans.

"Scheduled Term B Dollar Repayments" means, with respect to the principal payments on the Term B Dollar Loans for each date set forth below, the Dollar amount set forth opposite thereto, as reduced from time to time pursuant to Sections 4.3 and 4.4:

Date	**Scheduled Term B Dollar Repayment**
June 30, 2005	$ 471,977.33
September 30, 2005	$ 471,977.33
December 31, 2005	$ 471,977.33
March 31, 2006	$ 471,977.33
June 30, 2006	$ 471,977.33
September 30, 2006	$ 471,977.33
December 31, 2006	$ 471,977.33
March 31, 2007	$ 471,977.33
June 30, 2007	$ 471,977.33
September 30, 2007	$ 471,977.33
December 31, 2007	$ 471,977.33
March 31, 2008	$ 471,977.33
June 30, 2008	$ 471,977.33
September 30, 2008	$ 471,977.33
December 31, 2008	$ 471,977.33
March 31, 2009	$ 471,977.33
June 30, 2009	$ 471,977.33
September 30, 2009	$ 471,977.33
Term B Dollar Loan Maturity Date	$176,047,544.08

(2) Section 1.1 of the Credit Agreement is further amended by amending and restating the following definitions to read as follows:

"Term B Dollar Commitment" means, with respect to a Consenting Term B1 Dollar Lender, the agreement of such Term B1 Dollar Lender to exchange its Term B1 Dollar Loans for an equal aggregate principal amount of Term B Dollar Loans on the Fourth Amendment Effective Date pursuant to Section 2.1(a)(ii) hereof, as evidenced by such Term B1 Dollar Lender executing and delivering the Fourth Amendment.

"Term B Dollar Lender" means, collectively, (i) each Consenting Term B1 Dollar Lender and (ii) each Additional Term B Dollar Lender or any Lender which is owed a Term B Dollar Loan (or portion thereof).

"Term B Dollar Loan" and "Term B Dollar Loans" means a Loan or Loans, as the context may require, in Dollars made or deemed made on the Fourth Amendment Effective Date pursuant to Section 2.1(a)(ii).

"Term B Dollar Loan Maturity Date" means December 19, 2009.

(3) Section 2.1(a)(ii) is hereby amended and restated to read as follows:

(ii) Term B Dollar Loans.

(A) Subject to the terms and conditions of the Fourth Amendment, each Consenting Term B1 Dollar Lender severally agrees to exchange the principal amount of its Term B1 Dollar Loan outstanding immediately prior to the effectiveness of the Fourth Amendment for a like principal amount in Dollars of Term B Dollar Loans on the Fourth Amendment Effective Date.

(B) Subject to the terms and conditions hereof, each Additional Term B Dollar Lender severally agrees to make Additional Term B Dollar Loans in Dollars to the Company on the Fourth Amendment Effective Date in a principal amount not to exceed its Additional Term B Dollar Commitment on the Fourth Amendment Effective Date. The Company shall use the gross proceeds of the Additional Term B Dollar Loans to prepay the remaining Term B1 Dollar Loans which will consist of the Loans of any Term B1 Dollar Lender who is not a Consenting Term B1 Dollar Lender.

(C) The Company shall pay all accrued and unpaid interest and all other amounts then due and payable under the Credit Agreement with respect to the Term B1 Dollar Loans of the Term B1 Dollar Lenders who are not Consenting Term B1 Dollar Lenders on the Fourth Amendment Effective Date.

(D) The Term B Dollar Loans shall have the same terms as the Term B1 Dollar Loans as set forth in the Credit Agreement and Loan Documents, except as modified by the Fourth Amendment. The Additional Term B Dollar Loans (i) shall be incurred by Company pursuant to a single drawing, which shall be on the Fourth Amendment Effective Date, (ii) shall be denominated in Dollars, and (iii) shall be made as Loans of the same Type and Interest Period as was in effect with respect to the Term B1 Dollar Loans prior to the conversion or repayment as contemplated hereby. Each Additional Term B Dollar Lender's Additional Term B Dollar Commitment shall expire immediately and without further action on the Fourth Amendment Effective Date if the Additional Term B Dollar Loans are not made on such date and shall terminate in their entirety on the Fourth Amendment Effective Date after giving effect to the Borrowing of such Loans on such date. No amount of a Term B Dollar Loan which is repaid or prepaid by Company may be reborrowed hereunder. For avoidance of doubt, the Term B Dollar Loans (and all principal, interest and other amounts in respect thereof), will constitute "Obligations" under the Credit Agreement and Loan Documents and shall have the same rights and obligations under the Credit Agreement and Loan Documents as the Term B1 Dollar Loans which shall cease to be outstanding following the exchange or prepayment in full of such Loans as contemplated hereby.

(4) Section 2.9 of the Credit Agreement is hereby amended by replacing the reference therein to "Term B1 Dollar Loans" and "Term B1 Dollar Lenders" to "Term B Dollar Loans" and "Term B Dollar Lenders", respectively.

(p) Term B Euro Repricing Mechanics.

(1) Section 1.1 of the Credit Agreement is further amended by inserting the following new definitions in alphabetical order therein:

"Additional Term B Euro Commitment" means, with respect to an Additional Term B Euro Lender, the commitment of such Additional Term B Euro Lender to make Additional Term B Euro Loans on the Fourth Amendment Effective Date, in the amount in Euros or Sterling set forth on Schedule 1.1(a) hereto (as amended pursuant to the Fourth Amendment). The aggregate amount of the Additional Term B Euro Commitments shall not be less than the outstanding principal amount of Term B1 Euro Loans of Lenders who are not Consenting Term B1 Euro Lenders.

"Additional Term B Euro Lender" means a Person with an Additional Term B Euro Commitment to make Additional Term B Euro Loans to European Holdco on the Fourth Amendment Effective Date.

"Additional Term B Euro Loan" means a Loan in Euros made pursuant to Section 2.1(a)(iii)(B) on the Fourth Amendment Effective Date.

"Consenting Term B Euro Lender" means each Term B1 Euro Lender who has executed and delivered the Fourth Amendment on or prior to the Fourth Amendment Effective Date but shall not include any Term B1 Euro Lender who notifies the Administrative Agent in writing in connection with the delivery of such signature page that it does not consent to the exchange of its Term B1 Euro Loans for Term B Euro Loans.

"Scheduled Term B Euro Repayments" means, with respect to the principal payments on the Term B Euro Loans for each date set forth below, the Euro amount set forth opposite thereto, as reduced from time to time pursuant to Sections 4.3 and 4.4:

Date	**Scheduled Term B Euro Repayment**
June 30, 2005	€587,500
September 30, 2005	€587,500
December 31, 2005	€587,500
March 31, 2006	€587,500
June 30, 2006	€587,500
September 30, 2006	€587,500
December 31, 2006	€587,500
March 31, 2007	€587,500
June 30, 2007	€587,500
September 30, 2007	€587,500
December 31, 2007	€587,500
March 31, 2008	€587,500
June 30, 2008	€587,500
September 30, 2008	€587,500
December 31, 2008	€587,500
March 31, 2009	€587,500
June 30, 2009	€587,500
September 30, 2009	€587,500
Term B Euro Loan Maturity Date	€222,075,000

(2) Section 1.1 of the Credit Agreement is further amended by amending and restating the following definitions to read as follows:

"Term B Euro Commitment" means, with respect to a Consenting Term B1 Euro Lender, the agreement of such Term B1 Euro Lender to exchange its Term B1 Euro Loans for an equal aggregate principal amount of Term B Euro Loans on the Fourth Amendment Effective Date pursuant to Section 2.1(a)(iii) hereof, as evidenced by such Term B1 Euro Lender executing and delivering the Fourth Amendment.

"Term B Euro Lender" means, collectively, (i) each Consenting Term B1 Euro Lender and (ii) each Additional Term B Euro Lender or any Lender which is owed a Term B Euro Loan (or portion thereof).

"Term B Euro Loan" and "Term B Euro Loans" means a Loan or Loans, as the context may require, in Euros made or deemed made on the Fourth Amendment Effective Date pursuant to Section 2.1(a)(iii).

"Term B Euro Loan Maturity Date" means December 19, 2009.

(3) Section 2.1(a)(iii) of the Credit Agreement is hereby amended and restated to read as follows:

(iii) Term B Euro Loans.

(A) Subject to the terms and conditions of the Fourth Amendment, each Consenting Term B1 Euro Lender severally agrees to exchange the principal amount of its Term B1 Euro Loan outstanding immediately prior to the effectiveness of the Fourth Amendment for a like principal amount in Euros of Term B Euro Loans on the Fourth Amendment Effective Date.

(B) Subject to the terms and conditions hereof, each Additional Term B Euro Lender severally agrees to make Additional Term B Euro Loans in Euros to European Holdco on the Fourth Amendment Effective Date in a principal amount not to exceed its Additional Term B Euro Commitment on the Fourth Amendment Effective Date. European Holdco shall use the gross proceeds of the Additional Term B Euro Loans to prepay the remaining Term B1 Euro Loans which will consist of the Loans of any Term B1 Euro Lender who is not a Consenting Term B1 Euro Lender.

(C) European Holdco shall pay all accrued and unpaid interest and all other amounts then due and payable under the Credit Agreement with respect to the Term B1 Euro Loans of the Term B1 Euro Lenders who are not Consenting Term B1 Euro Lenders on the Fourth Amendment Effective Date.

(D) The Term B Euro Loans shall have the same terms as the Term B1 Euro Loans as set forth in the Credit Agreement and Loan Documents, except as modified by the Fourth Amendment. The Additional Term B Euro Loans (i) shall be incurred by European Holdco pursuant to a single drawing, which shall be on the Fourth Amendment Effective Date, (ii) shall be denominated in Euros, and (iii) shall be made as Loans of the same Type and Interest Period as was in effect with respect to the Term B1 Euro Loans prior to the conversion or repayment as contemplated hereby. Each Additional Term B Euro Lender's Additional Term B Euro Commitment shall expire immediately and without further action on the Fourth Amendment Effective Date if the Additional Term B Euro Loans are not made on such date and shall terminate in their entirety on the Fourth Amendment Effective Date after giving effect to the Borrowing of such Loans on such date. No amount of a Term B Euro Loan which is repaid or prepaid by European Holdco may be reborrowed hereunder. For avoidance of doubt, the Term B Euro Loans (and all principal, interest and other amounts in respect thereof), will constitute "Obligations" under the Credit Agreement and Loan Documents and shall have the same rights and obligations under the Credit Agreement and Loan Documents as the Term B1 Euro Loans which shall cease to be outstanding following the exchange or prepayment in full of such Loans as contemplated hereby.

(4) Section 2.9 of the Credit Agreement is hereby amended by replacing the reference therein to "Term B1 Euro Loans" and "Term B1 Euro Lenders" to "Term B Euro Loans" and "Term B Euro Lenders", respectively.

(q) Repricing Prepayment Mechanics. Section 4.3(d) of the Credit Agreement is hereby amended by adding the following clause to the end of the proviso at the conclusion of such section:

, the Exiting Multicurrency Revolving Lenders may be prepaid pursuant to Section 2.1(b), the Exiting Canadian Revolving Lenders may be prepaid pursuant to Section 2A.1, Term A Lenders who are not Consenting Term A Lenders may be prepaid pursuant to Section 2.1(a)(i)(B), the Term B1 Dollar Lenders who are not Consenting Term B1 Dollar Lenders may be prepaid pursuant to Section 2.1(a)(ii) and Term B1 Euro Lenders who are not Consenting Term B1 Euro Lenders may be prepaid pursuant to Section 2.1(a)(iii).

3. Representations and Warranties. In order to induce Administrative Agent and the Lenders to enter into this Amendment, each of Company, European Holdco, Canadian Borrower and Ball Cayman hereby represents and warrants to Administrative Agent and the Lenders, in each case after giving effect to this Amendment, as follows:

(a) Each of Company, European Holdco, Canadian Borrower and Ball Cayman has the right, power and capacity and has been duly authorized and empowered by all requisite corporate or limited liability company and shareholder or member action to enter into, execute, deliver and perform this Amendment and all agreements, documents and instruments executed and delivered pursuant to this Amendment.

(b) This Amendment constitutes each of Company's, European Holdco's, Canadian Borrower's and Ball Cayman's legal, valid and binding obligation, enforceable against it, except as enforcement thereof may be subject to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and general principles of equity (regardless of whether such enforcement is sought in a proceeding in equity or at law or otherwise).

(c) The representations and warranties contained in the Credit Agreement and the other Loan Documents are true and correct in all material respects at and as of the Fourth Amendment Effective Date as though made on and as of the Fourth Amendment Effective Date (except to the extent expressly made as of a specified date, in which event such representation and warranty is true and correct in all material respects as of such specified date).

(d) Each of Company's, European Holdco's, Canadian Borrower's and Ball Cayman's execution, delivery and performance of this Amendment do not and will not violate its articles or certificate of incorporation, by-laws or other Organizational Documents, any law, rule, regulation, order, writ, judgment, decree or award applicable to it or any contractual provision to which it is a party or to which it or any of its property is subject.

(e) No authorization or approval or other action by, and no notice to or filing or registration with, any governmental authority or regulatory body (other than those which have been obtained and are in force and effect) is required in connection with the execution, delivery and performance by Company, European Holdco or any other Credit Party of this Amendment and all agreements, documents and instruments executed and delivered pursuant to this Amendment.

(f) No Event of Default or Unmatured Event of Default exists under the Credit Agreement or would exist immediately after giving effect to this Amendment.

4. **Conditions to Effectiveness of Amendment**. This Amendment shall become effective one (1) Business Day following the date (the "Fourth Amendment Effective Date") each of the following conditions precedent is satisfied:

(a) Execution and Delivery of Amendment. Administrative Agent (or its counsel) shall have received from (A) Lenders constituting (i) the Required Lenders, (ii) each Multicurrency Revolving Lender, or in lieu of one or more Multicurrency Revolving Lenders, one or more Increasing Multicurrency Revolving Lenders providing New Multicurrency Revolving Commitments in an amount sufficient to replace all of the Multicurrency Revolving Commitments of the Exiting Multicurrency Revolving Lenders, (iii) each Canadian Revolving Lender, or in lieu of one or more Canadian Revolving Lenders, one or more Increasing Canadian Revolving Lenders providing New Canadian Revolving Commitments in an amount sufficient to replace all of the Canadian Revolving Commitments of the Exiting Canadian Revolving Lenders, (iv) each Term A Lender, or in lieu of one or more Term A Lenders, one or more Additional Term A1 Lenders providing Additional Term A1 Commitments in an amount sufficient to repay all of the principal of the Term A Loans owed to Lenders who are not Consenting Term A Lenders (v) each Term B1 Dollar Lender, or in lieu of one or more Term B1 Dollar Lenders, one or more Additional Term B Dollar Lenders providing Additional Term B Dollar Commitments in an amount sufficient to repay all of the principal of the Term B1 Dollar Loans owed to Lenders who are not Consenting Term B1 Dollar Lenders (vi) each Term B1 Euro Lender, or in lieu of one or more Term B1 Euro Lenders, one or more Additional Term B Euro Lenders providing Additional Term B Euro Commitments in an amount sufficient to repay all of the principal of the Term B1 Euro Loans owed to Lenders who are not Consenting Term B1 Euro Lenders, and (B) Company, European Holdco, Canadian Borrower and Ball Cayman, either (i) a counterpart of this Amendment signed on behalf of such party or (ii) written evidence satisfactory to Administrative Agent (which may include telecopy transmission of a signed signature page of this Amendment) that such party has signed a counterpart of this Amendment.

(b) Execution and Delivery of Officer's Certificate. Administrative Agent shall have received a certificate of a Responsible Officer of Company and European Holdco in the form of Exhibit A attached hereto.

(c) Reaffirmation of Guaranty. Administrative Agent shall have received a Reaffirmation of Guaranty executed by a Responsible Officer of each of European Holdings and the Guarantors which are Domestic Subsidiaries in the form of Exhibit B attached hereto.

(d) Notice of Borrowing. Company, European Holdco and Canadian Borrower shall have provided Administrative Agent with a Notice of Borrowing two (2) Business Days prior to the Fourth Amendment Effective Date with respect to the borrowing of New Multicurrency Revolving Loans, New Canadian Revolving Loans, Additional Term A1 Loans, Additional Term B Dollar Loans and Additional Term B Euro Loans on the Fourth Amendment Effective Date.

(e) Interest. The applicable Borrower shall have paid to all Lenders simultaneously with the Fourth Amendment Effective Date all accrued and unpaid interest on the Loans to the Fourth Amendment Effective Date.

(f) Payment of Fees. Company shall have paid in full to Administrative Agent all fees due and payable pursuant to the Fee Letter of even date hereof between Company and Administrative Agent.

(g) Representations and Warranties. The representations and warranties of Company, European Holdco and the other Credit Parties contained in this Amendment, the Credit Agreement and the other Loan Documents shall be true and correct in all material respects as of the Fourth Amendment Effective Date, with the same effect as though made on such date (except to the extent expressly made as of a specified date, in which event such representation and warranty is true and correct in all material respects as of such specified date).

(h) No Defaults. No Unmatured Event of Default or Event of Default under the Credit Agreement shall have occurred and be continuing.

5. **Miscellaneous**. The parties hereto hereby further agree as follows:

(a) Costs, Expenses and Taxes. Company hereby agrees to pay all reasonable fees, costs and expenses of Administrative Agent incurred in connection with the negotiation, preparation and execution of this Amendment and the transactions contemplated hereby, including, without limitation, the reasonable fees and expenses of Winston & Strawn LLP, counsel to Administrative Agent.

(b) Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same Amendment.

(c) Headings. Headings used in this Amendment are for convenience of reference only and shall not affect the construction of this Amendment.

(d) Integration. This Amendment and the Credit Agreement (as amended hereby) constitute the entire agreement among the parties hereto with respect to the subject matter hereof.

(e) Governing Law. THIS AMENDMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER THE LAWS OF THE STATE OF NEW YORK, AND FOR ALL PURPOSES SHALL BE CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS AND DECISIONS OF SAID STATE, INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW BUT EXCLUDING ALL OTHER CHOICE OF LAW AND CONFLICTS OF LAWS RULES.

(f) Binding Effect. This Amendment shall be binding upon, and inure to the benefit of, Borrowers, Administrative Agent, the Lenders and their respective successors and assigns; provided, however, that no Borrower may assign its rights or obligations hereunder or in connection herewith or any interest herein (voluntarily, by operation of law or otherwise) without the prior written consent of the Lenders.

(g) Amendment; Waiver. The parties hereto agree and acknowledge that nothing contained in this Amendment in any manner or respect limits or terminates any of the provisions of the Credit Agreement or any of the other Loan Documents other than as expressly set forth herein and further agree and acknowledge that the Credit Agreement (as amended hereby) and each of the other Loan Documents remain and continue in full force and effect and are hereby ratified and confirmed. Except to the extent expressly set forth herein, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any rights, power or remedy of the Lenders or Administrative Agent under the Credit Agreement or any other Loan Document, nor constitute a waiver of any provision of the Credit Agreement or any other Loan Document. No delay on the part of any Lender or Administrative Agent in exercising any of their respective rights, remedies, powers and privileges under the Credit Agreement or any of the Loan Documents or partial or single exercise thereof, shall constitute a waiver thereof. On and after the Fourth Amendment Effective Date each reference in the Credit Agreement to "this Agreement," "hereunder," "hereof," "herein" or words of like import, and each reference to the Credit Agreement in the Loan Documents and all other documents delivered in connection with the Credit Agreement shall mean and be a reference to the Credit Agreement as amended hereby. Company and European Holdco acknowledge and agree that this Amendment constitutes a "Loan Document" for purposes of the Credit Agreement, including, without limitation, Section 10.1 of the Credit Agreement. None of the terms and conditions of this Amendment may be changed, waived, modified or varied in any manner, whatsoever, except in accordance with Section 12.1 of the Credit Agreement.

(h) Reaffirmation of Guaranty. Company undertakes to deliver to Administrative Agent, on or before May 20, 2005, a Reaffirmation of Guaranty executed by a Responsible Officer of each of the Guarantors which are Foreign Subsidiaries in substantially the form of Exhibit B attached hereto.

(i) Representation of Increasing Canadian Revolving Lenders. Each Continuing Canadian Revolving Lender and Increasing Canadian Revolving Lender hereby represents and warrants to Company, Canadian Borrower and Administrative Agent that it is either a resident of Canada for the purposes of Part XIII of the ITA or is deemed to be resident in Canada for the purposes of Part XIII of the ITA in respect of amounts paid or credited pursuant to the Credit Agreement.

(j) Multicurrency Revolving Lenders, Canadian Revolving Lenders, Term A1 Lenders, Term B Dollar Lenders and Term B Euro Lenders. Company, European Holdco, Administrative Agent and the Required Lenders acknowledge that each lender signatory hereto that is not heretofore a "Lender" under the Credit Agreement, subject to all the terms contained therein, shall, upon the Fourth Amendment Effective Date, become a "Lender" under the Credit Agreement by its execution and delivery hereof. Each lender signatory hereto that is not heretofore a "Lender" under the Credit Agreement agrees to perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by a Lender.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first written above.

BALL CORPORATION

By:_____
Name:_____
Title: _____

BALL EUROPEAN HOLDINGS, S.A.R.L.

By:_____
Name:_____
Title: _____

BALL PACKAGING PRODUCTS CANADA CORP.

By:_____
Name:_____
Title: _____

BALL CAYMAN LIMITED

By:_____
Name:_____
Title: _____

DEUTSCHE BANK AG, NEW YORK BRANCH, in its individual capacity and as Administrative Agent

By:_____
Name:_____
Title: _____

By:_____
Name:_____
Title: _____

DEUTSCHE BANK AG, CANADA BRANCH

By:_____
Name:_____
Title: _____

By:_____
Name:_____
Title: _____

[Name of Lending Institution]

By:_____
Name:_____
Title: _____

EXHIBIT A

CERTIFICATE OF OFFICER

I, the undersigned, the Vice President and Treasurer of Ball Corporation ("Company"), and the Managers of Ball European Holdings, S.a.r.l. ("European Holdco"), in accordance with Section 4(b) of that certain Fourth Amendment to Credit Agreement dated as of May 9, 2005 (the "Agreement") among Company, European Holdco, Canadian Borrower, Ball Cayman, the financial institutions signatory thereto as Lenders and Deutsche Bank AG, New York Branch, as Administrative Agent for the Lenders, do hereby certify on behalf of Company and European Holdco, the following:

1. The representations and warranties set forth in Section 3 of the Agreement are true and correct in all material respects as of the date hereof except to the extent such representations and warranties are expressly made as of a specified date in which event such representations and warranties were true and correct in all material respects as of such specified date;

2. No Event of Default or Unmatured Event of Default (except as otherwise expressly waived by the Agreement) has occurred and is continuing after giving effect to the Agreement; and

3. The conditions of Section 4 of the Agreement have been fully satisfied.

Unless otherwise defined herein, capitalized terms used herein shall have the meanings set forth in the Agreement.

[signature page follows]

IN WITNESS WHEREOF, the undersigned has duly executed and delivered on behalf of Company and European Holdco this Certificate of Officer on this 9th day of May, 2005.

BALL CORPORATION

By:_____

Name:_____

Title:_____

BALL EUROPEAN HOLDINGS, S.A.R.L.

By:_____

Name:_____

Title:_____

EXHIBIT B

REAFFIRMATION OF GUARANTY

Each of the undersigned acknowledges receipt of a copy of the Fourth Amendment to Credit Agreement (the "Agreement" capitalized terms used herein shall, unless otherwise defined herein, have the meanings provided in the Agreement) dated as of May __, 2005, by and among Ball Corporation ("Company"), Ball European Holdings, S.a.r.l. ("European Holdco"), Canadian Borrower, the financial institutions signatory thereto as Lenders and Deutsche Bank AG, New York Branch as Administrative Agent for the Lenders, consents to such Agreement and each of the transactions referenced in the Agreement and hereby reaffirms its obligations under any Guaranty to which it is a party, including its guaranty of obligations in respect of the Loans.

Dated as of May __, 2005.

BALL AEROSPACE & TECHNOLOGIES CORP.
BALL METAL BEVERAGE CONTAINER CORP.
BALL METAL FOOD CONTAINER CORP.
BALL PACKAGING CORP.
BALL PLASTIC CONTAINER CORP.
BALL TECHNOLOGIES HOLDINGS CORP.
BALL ASIA SERVICES LIMITED
BALL GLASS CONTAINER CORPORATION
BALL HOLDINGS CORP.
BG HOLDINGS I, INC.
BG HOLDINGS II, INC.
BALL TECHNOLOGY SERVICES CORPORATION
EFRATOM HOLDING, INC.
LATAS DE ALUMINIO BALL, INC.
BALL METAL PACKAGING SALES CORP.

By:_____
Name: Scott C. Morrison
Title: Vice President

BALL PAN-EUROPEAN HOLDINGS, INC.

By:_____
Name: Charles E. Baker
Title: Assistant Secretary

BALL (FRANCE) HOLDINGS SAS

By:_____
Name:
Title:

BALL (FRANCE) INVESTMENT HOLDINGS SAS

By:_____
Name:
Title:

BALL PACKAGING EUROPE BIERNE SAS

By:_____
Name:
Title:

BALL PACKAGING EUROPE LA CIOTAT SAS

By:_____
Name:
Title:

BALL PACKAGING EUROPE MANAGING GMBH

By:_____
Name:
Title:

BALL PACKAGING EUROPE HOLDING GMBH & CO. KG

By:_____
Name:
Title:

BALL PACKAGING EUROPE GMBH

By:_____
Name:
Title:

BALL (LUXEMBOURG) FINANCE S.A.R.L.

By:_____
Name:
Title:

BALL EUROPEAN HOLDINGS S.A.R.L.

By:_____
Name:
Title:

BALL HOLDINGS S.A.R.L.

By:_____
Name:
Title:

BALL INVESTMENT HOLDINGS, S.A.R.L.

By:_____
Name:
Title:

BALL UK HOLDINGS LIMITED

By:_____
Name:
Title:

BALL PACKAGING EUROPE (UK) LIMITED

By:_____
Name:
Title:

BALL NORTH AMERICA, INC.

By:_____
Name:
Title:

Exhibit 2.2(a)(8)

FORM OF
TERM A1 NOTE

_____ New York, New York
_____, _____

FOR VALUE RECEIVED, the undersigned, Ball European Holdings, S.a.r.l., a corporation organized under the laws of Luxembourg ("Borrower"), hereby unconditionally promises to pay to the order of _____ (the "Lender") at the office of Deutsche Bank AG, New York Branch located at 90 Hudson Street, 5th Floor, Jersey City, New Jersey 07302, in Euros and in immediately available funds on the Term A1 Loan Maturity Date (as defined in the Credit Agreement referred to below) the principal sum of _____ (_____) or, if less, the then unpaid principal amount of all Term A1 Loans (as defined in the Credit Agreement) made by the Lender to Borrower pursuant to Section 2.1(a)(vi) of the Credit Agreement, payable at such times and in such amounts as are specified in the Credit Agreement. Borrower further agrees to pay interest in like money at such office on the unpaid principal amount hereof from time to time outstanding at the applicable interest rate per annum determined as provided in, and payable as specified in, Articles III and IV of the Credit Agreement.

This Note is one of the Term A1 Notes referred to in the Credit Agreement dated as of December 19, 2002 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") among Borrower, Ball Corporation, an Indiana corporation, Ball Packaging Products Canada Corp., a company organized under the laws of the Province of Nova Scotia, each Subsidiary Borrower (as defined therein), the financial institutions from time to time party thereto, The Bank of Nova Scotia, as Canadian administrative agent and Deutsche Bank AG, New York Branch, as administrative agent, and is entitled to the benefits thereof and of the other Loan Documents (as defined in the Credit Agreement). As provided in the Credit Agreement, this Note is subject to optional and mandatory prepayment prior to the Term A1 Loan Maturity Date, in whole or in part. Terms defined in the Credit Agreement are used herein with their defined meanings unless otherwise defined herein.

Upon the occurrence of any one or more of the Events of Default specified in the Credit Agreement, all amounts then remaining unpaid on this Note may become, or may be declared to be, immediately due and payable, all as provided therein.

All parties now and hereafter liable with respect to this Note, whether maker, principal, surety, guarantor, endorser or otherwise, hereby waive presentment, demand, protest and all other notices of any kind.

THIS NOTE SHALL BE DEEMED TO BE A CONTRACT MADE UNDER THE LAWS OF THE STATE OF NEW YORK, AND FOR ALL PURPOSES SHALL BE CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS AND DECISIONS OF SAID STATE, INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW BUT EXCLUDING ALL OTHER CHOICE OF LAW AND CONFLICTS OF LAWS RULES.

BALL EUROPEAN HOLDINGS, S.A.R.L.

By:_____

Name:_____

Title:_____

Schedule 1.1(a)

On File With Agent.

Schedule 1.1(b)
Multicurrency Revolver Sublimits

Ball European Holdings, S.a.r.l.	The lesser of (i) the Dollar Equivalent of $200,000,000 minus the aggregate Effective Amount of outstanding Multicurrency Revolving Loans, LC Obligations and Swing Line Loans incurred by Ball (Luxembourg) Finance, Sarl or (ii) the Dollar Equivalent of $250,000,000 minus the aggregate Effective Amount of outstanding Multicurrency Revolving Loans, LC Obligations and Swing Line Loans incurred by Ball Packaging Europe GmbH, Ball Packaging UK Limited, Ball (Luxembourg) Finance, S.a.r.l. and Ball Cayman Limited.
Ball Packaging Europe GmbH, formerly known as Schmalbach-Lubeca GmbH	The lesser of (i) the Dollar Equivalent of $100,000,000 or (ii) the Dollar Equivalent of $250,000,000 minus the aggregate Effective Amount of outstanding Multicurrency Revolving Loans, LC Obligations and Swing Line Loans incurred by Ball European Holdings, S.a.r.l., Ball Packaging UK Limited, Ball (Luxembourg) Finance, S.a.r.l. and Ball Cayman Limited.
Ball Packaging UK Limited, formerly known as Continental Can Company Ltd.	The lesser of (i) the Dollar Equivalent of $75,000,000 or (ii) the Dollar Equivalent of $250,000,000 minus the aggregate Effective Amount of outstanding Multicurrency Revolving Loans, LC Obligations and Swing Line Loans borrowed by Ball European Holdings, S.a.r.l., Ball Packaging Europe GmbH, Ball (Luxembourg) Finance, S.a.r.l. and Ball Cayman Limited.
Ball (Luxembourg) Finance, S.a.r.l.	The lesser of (i) the Dollar Equivalent of $200,000,000 minus the aggregate Effective Amount of outstanding Multicurrency Revolving Loans, LC Obligations and Swing Line Loans incurred by Ball European Holdings, S.a.r.l. or (ii) the Dollar Equivalent of $250,000,000 minus the aggregate Effective Amount of outstanding Multicurrency Revolving Loans, LC Obligations and Swing Line Loans incurred by Ball European Holdings, S.a.r.l., Ball Packaging Europe GmbH, Ball Packaging UK Limited and Ball Cayman Limited.
Ball Cayman Limited	The lesser of (i) the Dollar Equivalent of $25,000,000 or (ii) the Dollar Equivalent of $250,000,000 minus the aggregate Effective Amount of outstanding Multicurrency Revolving Loans, LC Obligations and Swing Line Loans incurred by Ball European Holdings, S.a.r.l., Ball Packaging Europe GmbH and Ball Packaging (UK) Limited and Ball (Luxembourg) Finance, S.a.r.l.

Exhibit 10.2

Execution Copy

AMENDMENT NO. 4 TO
RECEIVABLES PURCHASE AGREEMENT

This AMENDMENT NO. 4 TO RECEIVABLES PURCHASE AGREEMENT (this "Amendment") dated as of July 12, 2005 is entered into by and among Ball Capital Corp. II, a Delaware corporation, as Seller (the "Seller"), Ball Corporation, an Indiana corporation, as Servicer (the "Servicer"), Jupiter Securitization Corporation, as Conduit (the "Conduit"), JPMorgan Chase Bank, N.A. (successor by merger to Bank One, NA (Main Office Chicago)) ("JPMorgan"), as Managing Agent (the "Managing Agent), the funding sources party hereto as the financial institutions (the "Financial Institutions" and together with the Conduits, the "Purchasers"), and JPMorgan as agent for the Purchasers party to the "Agreement" (as defined below) (the "Collateral Agent").

W I T N E S S E T H:

WHEREAS, the Seller, the Servicer, the Purchasers, the Managing Agent and the Collateral Agent have entered into that certain Receivables Purchase Agreement dated as of June 11, 2003 (as amended, restated, supplemented or otherwise modified from time to time, the "Agreement"); and

WHEREAS, the Seller has requested that the Purchasers, the Managing Agent and the Collateral Agent consent to an amendment of the Agreement; and

WHEREAS, the parties hereto have agreed to amend the Agreement on the terms and conditions set forth herein;

NOW THEREFORE, in consideration of the premises set forth above, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Defined Terms. Capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in the Agreement.

SECTION 2. Amendment to the Agreement. Subject to the satisfaction of the conditions precedent set forth in Section 4 below:

(a) The definition of the term "Purchase Limit" set forth in Exhibit I of the Agreement is hereby amended to replace the reference therein to "$200,000,000" with a reference to "$225,000,000" therefor.

(b) Schedule A of the Agreement is hereby amended to replace the reference therein to "$200,000,000" with a reference to "$225,000,000" therefor.

SECTION 3. Representations and Warranties of the Seller and the Servicer.

(a) Upon the effectiveness of this Amendment, each of the Seller and the Servicer hereby reaffirms all covenants, representations and warranties made by it in the Agreement and agrees that all such covenants, representations and warranties shall be deemed to have been re-made as of the effective date of this Amendment; provided that in the case of any representation or warranty in the Agreement that expressly relates to facts in existence on an earlier date, the reaffirmation thereof under this Section 3(a) shall be made as of such earlier date.

(b) Each of the Servicer and the Seller hereby represents and warrants (i) that this Amendment constitutes the legal, valid and binding obligation of such Person enforceable against such Person in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and general principles of equity which may limit the availability of equitable remedies and (ii) upon the effectiveness of this Amendment, no event shall have occurred and be continuing which constitutes an Amortization Event or an event that with the passage of time or the giving of notice, or both, would constitute an Amortization Event.

SECTION 4. Condition Precedent. This Amendment shall become effective as of the date above first written, upon receipt by the Collateral Agent of counterparts of this Amendment executed by the parties hereto.

SECTION 5. Reference to Agreement.

(a) From and after the effective date hereof, each reference in the Agreement to "this Agreement", "hereof", or "hereunder" or words of like import, and all references to the Agreement in any and all agreements, instruments, documents, notes, certificates and other writings of every kind and nature shall be deemed to mean the Agreement as amended by this Amendment.

(b) Except as specifically amended hereby, the Agreement and other documents, instruments and agreements executed and/or delivered in connection therewith shall remain in full force and effect and are hereby ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy under the Agreement or any of the other Transaction Documents, nor constitute a waiver of any provision contained therein, except as specifically set forth herein.

SECTION 6. Costs and Expenses; Fees. The Seller agrees to pay all reasonable costs, reasonable fees and reasonable out-of-pocket expenses (including reasonable attorneys' fees and time charges of attorneys representing the Collateral Agent, which attorneys may be employees of the Collateral Agent) incurred by the Collateral Agent in connection with the preparation, execution and enforcement of this Amendment.

SECTION 7. CHOICE OF LAW. THIS AMENDMENT SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ILLINOIS.

SECTION 8. Execution of Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

SECTION 9. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered by their duly authorized officers as of the date hereof.

BALL CAPITAL CORP. II, as Seller

By:_____
Name:
Title:

BALL CORPORATION, as Servicer

By:_____
Name:
Title:

JPMORGAN CHASE BANK, N.A. (successor by merger to Bank One, NA (Main Office Chicago)), as Collateral Agent

By:_____
Name:
Title:

JUPITER SECURITIZATION CORPORATION, as Conduit

By:_____
Name:
Title:

JPMORGAN CHASE BANK, N.A. (successor by merger to Bank One, NA (Main Office Chicago)), as a Financial Institution in the Jupiter Purchase Group, and as the Managing Agent for the Jupiter Purchase Group

By:_____
Name:
Title:

Subsidiary Guarantees of Debt

The company's Senior Notes, Senior Subordinated Notes and senior credit facilities are guaranteed on a full, unconditional and joint and several basis by certain of the company's wholly owned domestic subsidiaries. The following is condensed, consolidating financial information for the company, segregating the guarantor subsidiaries and non-guarantor subsidiaries, as of July 3, 2005, and December 31, 2004 (in millions of dollars). The presentation of certain prior-year amounts has been changed in order to conform to the current-year presentation. Separate financial statements for the guarantor subsidiaries and the non-guarantor subsidiaries are not presented because management has determined that such financial statements would not be material to investors.

CONSOLIDATED BALANCE SHEET

	July 3, 2005				
	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments	Consolidated Total
ASSETS					
Current assets					
Cash and cash equivalents	$ 7.0	$ 0.9	$ 67.8	$ –	$ 75.7
Receivables, net	(0.1)	120.4	422.7	–	543.0
Inventories, net	–	447.6	210.0	–	657.6
Deferred taxes, prepaids and other current assets	357.4	161.5	18.6	(449.0)	88.5
Total current assets	364.3	730.4	719.1	(449.0)	1,364.8
Property, plant and equipment, at cost	41.7	1,997.5	971.9	–	3,011.1
Accumulated depreciation	(15.6)	(1,192.4)	(298.6)	–	(1,506.6)
	26.1	805.1	673.3	–	1,504.5
Investments in subsidiaries	2,037.6	679.6	9.8	(2,727.0)	–
Investments in affiliates	2.9	17.6	43.3	–	63.8
Goodwill	–	340.0	947.9	–	1,287.9
Intangibles and other assets, net	84.0	55.5	69.5	–	209.0
Total Assets	$ 2,514.9	$ 2,628.2	$ 2,462.9	$(3,176.0)	$ 4,430.0
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Short-term debt and current portion of long-term debt	$ 37.0	$ 3.3	$ 125.1	$ –	$ 165.4
Accounts payable	80.0	254.0	215.4	–	549.4
Accrued employee costs	11.4	108.6	27.7	–	147.7
Income taxes payable	–	482.1	72.8	(449.0)	105.9
Other current liabilities	32.4	30.7	51.1	–	114.2
Total current liabilities	160.8	878.7	492.1	(449.0)	1,082.6
Long-term debt	1,184.5	20.8	382.7	–	1,588.0
Intercompany borrowings	87.4	361.9	249.6	(698.9)	–
Employee benefit obligations	145.7	185.4	387.7	–	718.8
Deferred taxes and other liabilities	(16.2)	4.3	94.2	–	82.3
Total liabilities	1,562.2	1,451.1	1,606.3	(1,147.9)	3,471.7
Contingencies					
Minority interests	–	–	5.6	–	5.6
Shareholders' equity:					
Convertible preferred stock	–	–	179.6	(179.6)	–
Preferred shareholders' equity	–	–	179.6	(179.6)	–
Common stock	618.2	726.0	681.0	(1,407.0)	618.2
Retained earnings (deficit)	1,123.3	601.1	(73.0)	(528.1)	1,123.3
Accumulated other comprehensive earnings (loss)	(54.3)	(150.0)	63.4	86.6	(54.3)
Treasury stock, at cost	(734.5)	–	–	–	(734.5)
Common shareholders' equity	952.7	1,177.1	671.4	(1,848.5)	952.7
Total shareholders' equity	952.7	1,177.1	851.0	(2,028.1)	952.7
Total Liabilities and Shareholders' Equity	$ 2,514.9	$ 2,628.2	$ 2,462.9	$(3,176.0)	$ 4,430.0

CONSOLIDATED BALANCE SHEET

	December 31, 2004				
	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments	Consolidated Total
ASSETS					
Current assets					
Cash and cash equivalents	$ 113.8	$ 0.6	$ 84.3	$ –	$ 198.7
Receivables, net	0.5	87.0	259.3	–	346.8
Inventories, net	–	402.8	226.7	–	629.5
Deferred taxes and prepaid expenses	323.2	167.6	17.8	(438.0)	70.6
Total current assets	437.5	658.0	588.1	(438.0)	1,245.6
Property, plant and equipment, at cost	39.3	1,932.4	1,002.8	–	2,974.5
Accumulated depreciation	(14.2)	(1,140.2)	(287.7)	–	(1,442.1)
	25.1	792.2	715.1	–	1,532.4
Investment in subsidiaries	1,995.9	680.1	9.8	(2,685.8)	–
Investment in affiliates	2.8	32.9	47.4	–	83.1
Goodwill	–	338.1	1,071.9	–	1,410.0
Intangibles and other assets, net	74.6	53.8	78.2	–	206.6
	$ 2,535.9	$ 2,555.1	$ 2,510.5	$(3,123.8)	$ 4,477.7
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Short-term debt and current portion of long-term debt	$ 9.8	$ 3.3	$ 109.9	$ –	$ 123.0
Accounts payable	55.2	218.5	179.3	–	453.0
Accrued employee costs	15.6	168.7	37.9	–	222.2
Income taxes payable	–	450.9	67.7	(438.2)	80.4
Other current liabilities	31.9	30.3	55.5	–	117.7
Total current liabilities	112.5	871.7	450.3	(438.2)	996.3
Long-term debt	1,045.2	22.7	469.8	–	1,537.7
Intercompany borrowings	165.8	382.6	150.5	(698.9)	–
Employee benefit obligations	144.1	150.8	439.4	–	734.3
Deferred taxes and other liabilities	(18.3)	21.1	113.6	–	116.4
Total liabilities	1,449.3	1,448.9	1,623.6	(1,137.1)	3,384.7
Contingencies					
Minority interests	–	–	6.4	–	6.4
Shareholders' equity					
Convertible preferred stock	–	–	179.6	(179.6)	–
Preferred shareholders' equity	–	–	179.6	(179.6)	–
Common stock	610.8	726.0	681.1	(1,407.1)	610.8
Retained earnings	1,007.5	524.2	(124.2)	(400.0)	1,007.5
Accumulated other comprehensive earnings (loss)	33.2	(144.0)	144.0	–	33.2
Treasury stock, at cost	(564.9)	–	–	–	(564.9)
Common shareholders' equity	1,086.6	1,106.2	700.9	(1,807.1)	1,086.6
Total shareholders' equity	1,086.6	1,106.2	880.5	(1,986.7)	1,086.6
	$ 2,535.9	$ 2,555.1	$ 2,510.5	$(3,123.8)	$ 4,477.7

	For the Three Months Ended July 3, 2005				
	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments	Consolidated Total
Net sales	$ –	$ 1,157.9	$ 451.7	$ (57.6)	$ 1,552.0
Costs and expenses					
Cost of sales (excluding depreciation and amortization)	–	1,007.5	352.8	(57.6)	1,302.7
Depreciation and amortization	0.8	32.5	19.7	–	53.0
Business consolidation costs	–	–	8.8	–	8.8

Selling, general and administrative	7.8	33.3	14.9	–	56.0
Interest expense	6.3	10.0	8.0	–	24.3
Equity in results of subsidiaries	(78.5)	–	–	78.5	–
Corporate allocations	(16.6)	14.8	1.8	–	–
	(80.2)	1,098.1	406.0	20.9	1,444.8
Earnings (loss) before taxes	80.2	59.8	45.7	(78.5)	107.2
Tax provision	(1.2)	(19.8)	(11.9)	–	(32.9)
Minority interests	–	–	(0.3)	–	(0.3)
Equity in results of affiliates	–	1.1	3.9	–	5.0
Net earnings (loss)	$ 79.0	$ 41.1	$ 37.4	$ (78.5)	$ 79.0

CONSOLIDATED STATEMENT OF EARNINGS

For the Three Months Ended July 4, 2004

	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments	Consolidated Total
Net sales	$ –	$ 1,115.6	$ 413.9	$ (62.3)	$ 1,467.2
Costs and expenses					
Cost of sales (excluding depreciation and amortization)	–	942.7	313.1	(62.3)	1,193.5
Depreciation and amortization	0.8	32.4	19.0	–	52.2
Selling, general and administrative	10.3	41.5	15.9	–	67.7
Interest expense	2.7	12.9	9.4	–	25.0
Equity in results of subsidiaries	(89.0)	–	–	89.0	–
Corporate allocations	(16.0)	14.2	1.8	–	–
	(91.2)	1,043.7	359.2	26.7	1,338.4
Earnings (loss) before taxes	91.2	71.9	54.7	(89.0)	128.8
Tax provision	(0.5)	(26.9)	(13.4)	–	(40.8)
Minority interests	–	–	(0.2)	–	(0.2)
Equity in results of affiliates	–	1.0	1.9	–	2.9
Net earnings (loss)	$ 90.7	$ 46.0	$ 43.0	$ (89.0)	$ 90.7

For the Six Months Ended July 3, 2005

	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments	Consolidated Total
Net sales	$ –	$ 2,183.9	$ 804.3	$ (112.1)	$ 2,876.1
Costs and expenses					
Cost of sales (excluding depreciation and amortization)	–	1,881.1	630.5	(112.1)	2,399.5
Depreciation and amortization	1.5	65.0	39.9	–	106.4
Business consolidation costs	–	–	8.8	–	8.8
Selling, general and administrative	11.8	72.6	34.6	–	119.0
Interest expense	12.3	20.3	17.5	–	50.1
Equity in results of subsidiaries	(134.1)	–	–	134.1	–
Corporate allocations	(32.8)	29.3	3.5	–	–
	(141.3)	2,068.3	734.8	22.0	2,683.8
Earnings (loss) before taxes	141.3	115.6	69.5	(134.1)	192.3
Tax provision	(3.7)	(40.1)	(18.9)	–	(62.7)
Minority interests	–	–	(0.5)	–	(0.5)
Equity in results of affiliates	–	1.4	7.1	–	8.5
Net earnings (loss)	$ 137.6	$ 76.9	$ 57.2	$ (134.1)	$ 137.6

CONSOLIDATED STATEMENT OF EARNINGS

For the Six Months Ended July 4, 2004

	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments	Consolidated Total
Net sales	$ –	$ 2,063.3	$ 752.5	$ (117.1)	$ 2,698.7

Costs and expenses					
Cost of sales (excluding depreciation and amortization)	–	1,748.6	574.5	(117.1)	2,206.0
Depreciation and amortization	1.3	65.6	39.1	–	106.0
Selling, general and administrative	20.5	75.9	42.4	–	138.8
Interest expense	6.1	26.1	21.1	–	53.3
Equity in results of subsidiaries	(135.3)	–	–	135.3	–
Corporate allocations	(31.7)	28.2	3.5	–	–
	(139.1)	1,944.4	680.6	18.2	2,504.1
Earnings (loss) before taxes	139.1	118.9	71.9	(135.3)	194.6
Tax provision	(1.6)	(43.8)	(16.9)	–	(62.3)
Minority interests	–	–	(0.5)	–	(0.5)
Equity in results of affiliates	–	1.7	4.0	–	5.7
Net earnings (loss)	$ 137.5	$ 76.8	$ 58.5	$ (135.3)	$ 137.5

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Six Months Ended July 3, 2005

	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments	Consolidated Total
Cash flows from operating activities					
Net earnings (loss)	$ 137.6	$ 76.9	$ 57.2	$ (134.1)	$ 137.6
Adjustments to reconcile net earnings to net cash provided by operating activities:					
Depreciation and amortization	1.5	65.0	39.9	–	106.4
Business consolidation costs	–	–	8.8	–	8.8
Deferred taxes	(0.2)	(11.1)	(9.3)	–	(20.6)
Equity in results of subsidiaries	(134.1)	–	–	134.1	–
Other, net	7.6	(3.0)	(2.2)	–	2.4
Changes in other working capital components	(10.7)	(27.8)	(125.9)	–	(164.4)
Net cash provided by (used in) operating activities	1.7	100.0	(31.5)	–	70.2
Cash flows from investing activities					
Additions to property, plant and equipment	(2.5)	(78.8)	(67.0)	–	(148.3)
Investments in and advances to affiliates, net of dividends	(72.1)	(20.9)	93.0	–	–
Other, net	(11.9)	2.2	0.2	–	(9.5)
Net cash provided by (used in) investing activities	(86.5)	(97.5)	26.2	–	(157.8)
Cash flows from financing activities					
Long-term borrowings	145.0	0.4	–	–	145.4
Repayments of long-term borrowings	(12.0)	(2.6)	(31.2)	–	(45.8)
Change in short-term borrowings	35.0	–	23.4	–	58.4
Proceeds from issuance of common stock	20.1	–	–	–	20.1
Acquisitions of treasury stock	(188.1)	–	–	–	(188.1)
Common dividends	(21.8)	–	–	–	(21.8)
Other, net	(0.2)	–	–	–	(0.2)
Net cash used in financing activities	(22.0)	(2.2)	(7.8)	–	(32.0)
Effect of exchange rate changes on cash	–	–	(3.4)	–	(3.4)
Net change in cash and cash equivalents	(106.8)	0.3	(16.5)	–	(123.0)
Cash and cash equivalents - Beginning of period	113.8	0.6	84.3	–	198.7
Cash and cash equivalents - End of period	$ 7.0	$ 0.9	$ 67.8	–	$ 75.7

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Six Months Ended July 4, 2004

Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments	Consolidated Total

Cash flows from operating activities					
Net earnings (loss)	$ 137.5	$ 76.8	$ 58.5	$ (135.3)	$ 137.5
Adjustments to reconcile net earnings to net cash provided by operating activities:					
Depreciation and amortization	1.3	65.6	39.1	–	106.0
Deferred taxes	12.3	4.1	0.6	–	17.0
Equity in results of subsidiaries	(135.3)	–	–	135.3	–
Other	19.2	(14.0)	(2.0)	–	3.2
Changes in working capital components, excluding effects of acquisitions	(26.1)	68.1	(205.2)	–	(163.2)
Net cash provided by (used in) operating activities	8.9	200.6	(109.0)	–	100.5
Cash flows from investing activities					
Additions to property, plant and equipment	(2.2)	(41.7)	(23.5)	–	(67.4)
Business acquisition, net of cash acquired	–	(17.0)	–	–	(17.0)
Investments in and advances to affiliates, net of dividends	(14.3)	(145.2)	159.5	–	–
Other	(10.1)	3.9	(0.2)	–	(6.4)
Net cash provided by (used in) investing activities	(26.6)	(200.0)	135.8	–	(90.8)
Cash flows from financing activities					
Long-term borrowings	60.0	–	10.6	–	70.6
Repayments of long-term borrowings	(0.9)	(0.6)	(68.9)	–	(70.4)
Change in short-term borrowings	18.5	–	30.2	–	48.7
Proceeds from issuance of common stock	16.8	–	–	–	16.8
Acquisitions of treasury stock	(58.9)	–	–	–	(58.9)
Common dividends	(16.7)	–	–	–	(16.7)
Other	(0.1)	–	(0.4)	–	(0.5)
Net cash provided by (used in) financing activities	18.7	(0.6)	(28.5)	–	(10.4)
Effect of exchange rate changes on cash	–	–	0.1	–	0.1
Net change in cash and cash equivalents	1.0	–	(1.6)	–	(0.6)
Cash and cash equivalents– Beginning of period	8.8	0.9	26.8	–	36.5
Cash and cash equivalents– End of period	$ 9.8	$ 0.9	$ 25.2	$ –	$ 35.9

Certification

I, R. David Hoover, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Ball Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a –15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2005

/s/ R. David Hoover
R. David Hoover
Chairman, President and Chief Executive Officer

Certification

I, Raymond J. Seabrook, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Ball Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a –15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2005

/s/ Raymond J. Seabrook
Raymond J. Seabrook
Senior Vice President and Chief Financial Officer

Certification of Chief Executive Officer
Pursuant to 18 U.S.C. Section 1350
and Rule 13a-14(b) or Rule 15d-14(b)

My name is R. David Hoover and I am the Chairman of the Board, President and Chief Executive Officer of Ball Corporation (the "Company").

I hereby certify pursuant to 18 U.S.C. Section 1350 as adopted by Section 906 of the Sarbanes–Oxley Act of 2002 that to the best of my knowledge and belief:

(1) the Quarterly Report on Form 10-Q for the quarter ended July 3, 2005, filed with the U.S. Securities and Exchange Commission on August 9, 2005 ("Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of the operations of Ball Corporation as of, and for, the periods presented in the Report.

/s/ R. David Hoover
R. David Hoover
Chairman of the Board, President and Chief Executive Officer
Ball Corporation

Date: August 9, 2005

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Certification of Chief Financial Officer
Pursuant to 18 U.S.C. Section 1350
and Rule 13a-14(b) or Rule 15d-14(b)

My name is Raymond J. Seabrook and I am the Senior Vice President and Chief Financial Officer of Ball Corporation (the "Company").

I hereby certify pursuant to 18 U.S.C. Section 1350 as adopted by Section 906 of the Sarbanes–Oxley Act of 2002 that to the best of my knowledge and belief:

(1) the Quarterly Report on Form 10-Q for the quarter ended July 3, 2005, filed with the U.S. Securities and Exchange Commission on August 9, 2005 ("Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of the operations of Ball Corporation as of, and for, the periods presented in the Report.

/s/ Raymond J. Seabrook
Raymond J. Seabrook
Senior Vice President and Chief Financial Officer
Ball Corporation

Date: August 9, 2005

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

In connection with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 (the Reform Act), Ball is hereby filing cautionary statements identifying important factors that could cause Ball's actual results to differ materially from those projected in forward-looking statements of Ball. Forward-looking statements may be made in several different contexts; for example, in the quarterly and annual earnings news releases, the quarterly earnings conference calls hosted by the company, public presentations at investor and credit conferences, the company's Annual Report and in annual and periodic communications with investors. The Form 10-Q may contain forward-looking statements. As time passes, the relevance and accuracy of forward-looking statements may change. The company currently does not intend to update any particular forward-looking statement except as it deems necessary at quarterly or annual release of earnings. You are advised, however, to consult any further disclosures Ball makes on related subjects in our 10-K, 10-Q and 8-K reports to the Securities and Exchange Commission. The Reform Act defines forward-looking statements as statements that express or imply an expectation or belief and contain a projection, plan or assumption with regard to, among other things, future revenues, income, earnings per share, cash flow or capital structure. Such statements of future events or performance involve estimates, assumptions and uncertainties, and are qualified in their entirety by reference to, and are accompanied by, the following important factors that could cause Ball's actual results to differ materially from those contained in forward-looking statements made by or on behalf of Ball.

Some important factors that could cause Ball's actual results or outcomes to differ materially from those expressed or implied and discussed in forward-looking statements include, but are not limited to:

- Fluctuation in customer and consumer growth and demand, particularly during the months when the demand for metal beverage beer and soft drink cans is heaviest; loss of one or more major customers or changes to contracts with one or more customers; manufacturing overcapacity or under capacity; failure to achieve anticipated productivity improvement or production cost reductions, including those associated with our beverage can end project; changes in climate and weather; fruit, vegetable and fishing yields; interest rates, particularly on the floating rate debt of the company; labor strikes and work stoppages; boycotts; litigation; antitrust, intellectual property, consumer and other issues; level of maintenance and capital expenditures; capital availability; economic conditions; and acts of war, terrorism or catastrophic events.

- Competition in pricing and the possible decrease in, or loss of, sales resulting therefrom; loss of profitability due to plant closures, as well as the impact of price increases on financial results.

- The timing and extent of regulation or deregulation; competition in each line of business; product development and introductions; and technology changes.

- Ball's ability or inability to have available sufficient production capacity in a timely manner.

- Overcapacity in foreign and domestic metal and plastic container industry production facilities and its impact on pricing and financial results.

- Regulatory action or federal, state, local or foreign laws, including restrictive packaging legislation such as recycling laws or the German mandatory deposit legislation, and tax, environmental and workplace safety laws and regulations.

- Regulatory action or laws including those related to corporate governance and financial reporting, regulations and standards, including changes in generally accepted accounting principles or their interpretation.

- Loss contingencies related to income and other tax matters, including those arising from audits performed by U.S. and foreign tax authorities.

- Difficulties in obtaining raw materials, supplies, energy such as gas and electric power, and natural resources needed for the production of metal and plastic containers as well as aerospace products.

- The availability and cost of raw materials, supplies, power and natural resources needed for the production of metal and plastic containers as well as aerospace products, including those associated with our beverage can end project; pricing and ability or inability to sell scrap associated with the production of metal and plastic containers; the effect of changes in the cost of warehousing the company's products; and increases and trends in various employee benefits and labor costs, including pension, medical and health care costs incurred in the countries in which Ball has operations; and rates of return projected and earned on assets and discount rates used to measure future obligations and expenses of the company's defined retirement plans.

- The ability or inability to pass on to customers changes in raw material cost, particularly resin, steel and aluminum.

- International business and market risks (including foreign exchange rates, tax rates and activities of foreign subsidiaries), particularly in Europe, and in foreign developing countries such as China and Brazil; political and economic instability in foreign markets; restrictive trade practices of the United States or foreign governments; sudden policy changes by the United States or foreign governments; the imposition of duties, taxes or other government charges by the United States or foreign governments; exchange controls; national or regional labor strikes or work stoppages.

- Changes in the foreign exchange rate of the United States dollar against the European euro, British pound, Polish zloty, Serbian dinar, Hong Kong dollar, Canadian dollar, Chinese renminbi and Brazilian real, and in the foreign exchange rate of the euro against the British pound, Polish zloty and Serbian dinar.

- Terrorist activity or war that disrupts the company's production, supply, pricing or availability of the company's goods and services, including raw materials and energy costs, and/or disrupts the company's ability to obtain adequate credit resources for the foreseeable financing requirements of the company's businesses.

- The number and timing of the purchases of the company's common shares or the ability to obtain adequate credit resources for foreseeable financing requirements of the company's businesses.

- Undertaking successful and unsuccessful acquisitions, joint ventures and divestitures and the integration activities associated with acquisitions and joint ventures.

- The ability or inability to achieve technological and product extensions or new technological and product advances in the company's businesses.

- The technical uncertainty and schedule of performance risks associated with contracts for aerospace products and services, and the success or lack of success of satellite launches and the businesses and governments associated with aerospace products and services and the launches.

- The ability to invoice and collect accounts receivable related to aerospace contracts in the ordinary course of business.

- The authorization, funding and availability of government contracts and the nature and continuation of those contracts and related services provided thereunder, as well as the cancellation or termination of contracts for the United States government, other customers or other government contractors.

- Actual versus estimated business consolidation and investment exit costs and the estimated net realizable values of assets associated with such activities; and goodwill impairment.

- Fluctuation in the fiscal and monetary policies established by the United States or foreign governments.

- Changes to unaudited results due to statutory audits of our financial statements or management's evaluation of the company's internal controls over financial reporting.