UNITED STATES OF AMERICA
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 September 29, 1996

Commission file number 1-7349

BALL CORPORATION

State of Indiana 35-0160610

345 South High Street, P.O. Box 2407
Muncie, IN 47307-0407
317/747-6100

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

Class	Outstanding at October 27, 1996
Common Stock, without par value	30,515,573 shares

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Ball Corporation and Subsidiaries
QUARTERLY REPORT ON FORM 10-Q
For the period ended September 29, 1996

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PART I. FINANCIAL INFORMATION
Item 1. Financial Statements
<TABLE>

Ball Corporation and Subsidiaries
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF INCOME (LOSS)

(Millions of dollars except per share amounts)

<CAPTION>

<S>	Three months ended September 29, 1996 <C>	Three months ended October 1, 1995 <C>	Nine months ended September 29, 1996 <C>	Nine months ended October 1, 1995 <C>
Net sales	$ 622.2	$ 760.7	$ 1,684.3	$ 2,121.5
Costs and expenses				
Cost of sales	566.7	690.9	1,539.1	1,911.2
General and administrative expenses	17.0	23.1	57.3	69.8
Selling and product development expenses	5.1	5.4	12.7	18.7
Net loss on dispositions of businesses	--	113.3	--	109.5
Interest expense	10.5	10.2	30.3	30.5
	599.3	842.9	1,639.4	2,139.7
Income (loss) before taxes on income, minority interests and equity in earnings of affiliates	22.9	(82.2)	44.9	(18.2)
Provision for income tax (expense) benefit	(3.7)	24.2	(11.8)	0.1
Minority interests	(0.3)	(1.6)	(0.1)	(4.2)
Equity in earnings of affiliates	1.2	2.3	4.4	3.2
Net income (loss)	20.1	(57.3)	37.4	(19.1)
Preferred dividends, net of tax benefit	(0.7)	(0.7)	(2.2)	(2.3)
Earnings (loss) attributable to common shareholders	$ 19.4	$ (58.0)	$ 35.2	$ (21.4)
Earnings (loss) per share of common stock	$ 0.64	$ (1.93)	$ 1.16	$ (0.71)
Fully diluted earnings (loss) per share	$ 0.60	$ (1.93)	$ 1.11	$ (0.71)
Cash dividends declared per common share	$ 0.15	$ 0.15	$ 0.45	$ 0.45

</TABLE>

See accompanying notes to unaudited condensed consolidated financial statements.

Ball Corporation and Subsidiaries

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET
(Millions of dollars)

<TABLE>

<CAPTION>

<S>	September 29, 1996 <C>	December 31, 1995 <C>
ASSETS		
Current assets		
Cash and temporary investments	$ 10.8	$ 5.1
Accounts receivable, net	386.4	200.0
Inventories, net		
Raw materials and supplies	91.2	82.8
Work in process and finished goods	196.7	235.7
Deferred income tax benefits and prepaid expenses	80.4	69.1
Total current assets	765.5	592.7
Property, plant and equipment, at cost	1,267.5	1,146.8
Accumulated depreciation	(551.7)	(518.2)
	715.8	628.6
Investment in affiliates	269.1	262.8
Goodwill and other assets	153.5	128.4
	$ 1,903.9	$ 1,612.5
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term debt and current portion of long-term debt	$ 292.8	$ 155.0
Accounts payable	250.9	195.3
Salaries, wages and other current liabilities	125.8	147.2
Total current liabilities	669.5	497.5
Noncurrent liabilities		
Long-term debt	427.8	320.4
Employee benefit obligations, deferred income taxes and other	182.1	205.9
Total noncurrent liabilities	609.9	526.3
Contingencies		
Minority interests	7.3	6.0
Shareholders' equity		
Series B ESOP Convertible Preferred Stock	62.4	65.6
Unearned compensation - ESOP	(47.3)	(50.4)
Preferred shareholder's equity	15.1	15.2
Common stock (issued 32,807,794 shares - 1996; 32,172,768 shares - 1995)	313.9	293.8
Retained earnings	357.8	336.4
Treasury stock, at cost (2,197,145 shares - 1996; 2,058,173 shares - 1995)	(69.6)	(62.7)
Common shareholders' equity	602.1	567.5
	$ 1,903.9	$ 1,612.5

</TABLE>

See accompanying notes to unaudited condensed consolidated financial statements.

Ball Corporation and Subsidiaries
UNAUDITED CONDENSED CONSOLIDATED
STATEMENT OF CASH FLOWS
(Millions of dollars)

<TABLE>
<CAPTION>

<S>	Nine months ended September 29, 1996 <C>	Nine months ended October 1, 1995 <C>
Cash flows from operating activities		
Net income (loss)	$ 37.4	$ (19.1)
Reconciliation of net income (loss) to net cash provided by operating activities:		
Net loss on dispositions, restructuring and other	--	109.5
Depreciation and amortization	63.7	92.3
Deferred taxes on income	14.4	(14.9)
Other, net	(20.4)	(28.6)
Changes in working capital components	(91.8)	(101.1)
Net cash provided by operating activities	3.3	38.1
Cash flows from financing activities		
Net change in long-term debt	124.0	(54.9)
Net change in short-term debt	124.1	(17.5)
Common and preferred dividends	(16.1)	(16.0)
Net proceeds from issuance of common stock under various employee and shareholder plans	20.0	25.7
Acquisitions of treasury stock	(6.8)	(19.0)
Other, net	(30.3)	(1.2)
Net cash provided by (used in) financing activities	214.9	(82.9)
Cash flows from investing activities		
Additions to property, plant and equipment	(144.5)	(126.5)
Net cash related to the dispositions of businesses	(14.6)	332.0
Investments in and advances to affiliates and foreign joint ventures	(39.4)	(218.1)
Net cash flows from company owned life insurance	(8.5)	85.0
Other, net	(5.5)	3.5
Net cash (used in) provided by investing activities	(212.5)	75.9
Net increase in cash	5.7	31.1
Cash and temporary investments:		
Beginning of period	5.1	10.4
End of period	$ 10.8	$ 41.5

</TABLE>

See accompanying notes to unaudited condensed consolidated financial statements.

Ball Corporation and Subsidiaries
September 29, 1996

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General.

The accompanying condensed consolidated financial statements have been prepared by the company without audit. Certain information and footnote disclosures, including significant accounting policies, normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. However, the company believes that the financial statements reflect all adjustments which are necessary for a fair statement of the results for the interim period. Results of operations for the periods shown are not necessarily indicative of results for the year, particularly in view of some seasonality in packaging operations. It is suggested that 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 latest 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 assets and liabilities at the date of the financial statements, and reported amounts of revenues and expenses during the reporting period. Future events could affect these estimates.

2. Reclassifications.

Certain prior year amounts have been reclassified to conform with the 1996 presentation.

3. Ball-Foster.

Effective October 1, 1996, the company sold its remaining 42 percent indirect interest in Ball-Foster Glass Container Co., L.L.C. (Ball-Foster), a manufacturer of glass containers, to a wholly owned subsidiary of Saint-Gobain Corporation for approximately $190 million in cash. The company expects to report a fourth quarter gain from the sale of this investment. The unaudited financial results of the company's then significant equity affiliate, Ball-Foster follow:
<TABLE>
<CAPTION>

(dollars in millions)	Three months ended September 29, 1996	Nine months ended September 29, 1996
<S>	<C>	<C>
Net sales	$ 365.6	$ 1,082.7
Cost of sales	296.4	981.4
Net income (loss) reported by Ball-Foster	9.5	(16.5)
Net income (loss) attributable to Ball Corporation	$ 4.0	$ (6.9)
Net income (loss) after taxes included in equity earnings of affiliates	$ 2.0	$ (4.3)
After-tax impact of reserves released	--	7.0
Net income after taxes attributable to Ball's investment in Ball-Foster included in equity earnings of affiliates	$ 2.0	$ 2.7

</TABLE>

The year-to-date net loss reported by Ball-Foster includes a provision for costs associated with the closure of two glass manufacturing facilities that were previously owned by Ball and amortization of moulds previously capitalized by the Foster-Forbes glass business. Ball's share of Ball-Foster's net loss was more than offset by the after-tax benefits from the release of certain reserves during the second quarter, provided by Ball in connection with the sale of the glass business to Ball-Foster in 1995, and that Ball has since determined are no longer required.

4. Subsequent Event.

On November 8,1996, the company announced that it has signed an agreement with Lam Soon (Hong Kong) Limited to acquire Lam Soon's controlling interest in M.C. Packaging (Hong Kong) Limited for approximately $73 million. The acquisition, which will be made through the company's Hong Kong-based subsidiary, FTB Packaging Limited, is expected to close by early in 1997, subject to receiving certain approvals.

M.C. Packaging produces two-piece aluminum beverage cans as well as three-piece steel beverage and general purpose cans and plastic packaging products. M.C. Packaging has 14 manufacturing sites, one in Hong Kong and 13 through affiliates in the People's Republic of China, with a 19 percent market share of beverage cans in the PRC and a 50 percent beverage can market share in Hong Kong. Sales in 1995 were $195 million. FTB currently operates seven plants in China, primarily producing beverage cans and ends, with a 30 percent market share.

Along with the acquisition of the controlling interest in M.C. Packaging, a general offer will be made to acquire outstanding public shares of M.C. Packaging. If all public shares are tendered, Ball would ultimately expect to own, directly and indirectly, approximately 74 percent of M.C. Packaging.

5. Shareholders' Equity.

Issued and outstanding shares of the Series B ESOP Convertible Preferred Stock were 1,699,900 shares at September 29, 1996, and 1,786,852 shares at December 31, 1995.

6. Contingencies.

In the ordinary course of business, the company is subject to various risks and uncertainties due, in part, to the highly competitive nature of the industries in which the company participates, its operations in developing markets outside the U.S., volatile costs of commodity materials used in the manufacture of its products, and changing capital markets. Where possible and practicable, the company attempts to minimize these risks and uncertainties.

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

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

RESULTS OF OPERATIONS

Consolidated net sales and operating earnings for the third quarter of 1996 were $622.2 million and $36.1 million, respectively, compared to $760.7 million and a loss of $70.5 million for the third quarter of 1995, respectively. The 1995 third quarter loss includes a $113.3 million charge related to the sale of the glass business to Ball-Foster, as more fully described below. Excluding the 1995 glass operating results and the impact of the sale of the glass business, comparable 1996 third quarter operating earnings were marginally higher than 1995. For the first nine months of 1996, consolidated net sales and operating earnings were $1.7 billion and $81.0 million, respectively, compared to $2.1 billion and $17.8 million, respectively, for the 1995 nine month period. Excluding the 1995 operating results and net loss from businesses disposed, comparable consolidated operating earnings for the year-to-date period of 1996 declined 19.1 percent from the same period of 1995. This decline in 1996 operating earnings was primarily attributable to lower earnings in the metal beverage container business and continued startup losses within the company's new PET plastic container business.

Consolidated interest expense was $10.5 million in the third quarter of 1996 compared to $10.2 million in the 1995 third quarter. Higher interest expense in the 1996 third quarter reflects higher average debt levels partially offset by lower rates on interest-sensitive borrowings. For the year-to-date periods, interest expense was $30.3 million and $30.5 million for 1996 and 1995, respectively. For the nine month periods, interest expense was lower in 1996, a result of lower first quarter 1996 borrowings and lower rates on interest-sensitive borrowings.

The U.S. Internal Revenue Service (IRS) concurred with the company's position on certain tax matters in connection with a routine examination of its federal income tax return. As a result, the company recognized in net income, through a reduction of the provision for taxes on income, a refund from the IRS. Further, as a result of recently enacted changes in the tax law related to company owned life insurance, the company is required to exclude from deductible expenses a portion of interest incurred in connection with this program, retroactive to January 1, 1996. As a result, the provision for taxes on income was increased during the third quarter. The net effect of these tax adjustments was an increase in 1996 third quarter net income of $4.3 million, or 14 cents per share.

Equity in earnings of affiliates was $1.2 million and $2.3 million for the third quarters of 1996 and 1995, respectively. For the nine month periods, equity in earnings of affiliates was $4.4 million and $3.2 million for 1996 and 1995, respectively. Included in the 1996 third quarter and nine month results was the effect of the company's 42 percent share of Ball-Foster's operating earnings of $2.0 million and $2.7 million, after taxes, respectively. The nine month period of 1996 reflects a second quarter operating loss reported by Ball-Foster essentially offset by after-tax benefits from the release of certain reserves, provided by Ball in connection with the sale of the glass business to Ball-Foster in 1995, and that Ball has since determined are no longer required. In addition, the company recorded its share of losses reported by EarthWatch Inc., a development stage company. The impact of EarthWatch on the quarter and year-to-date periods of 1996 was a loss of $0.6 million and a loss of $2.2 million, respectively. The losses in the comparable 1995 periods were not significant. Internationally, consolidated third quarter operating earnings of FTB Packaging Limited, the company's Hong Kong-based subsidiary, were marginally ahead of the comparable 1995 period. Lower results from international equity affiliates in the 1996 third quarter largely reflect pre-operating costs in connection with expansion into Brazil and Thailand. For the nine months of 1996, results from those affiliates exceeded that period in 1995, despite the unfavorable impact from expansion activity. The company's new plants in Brazil and Thailand are scheduled for startup in early 1997.

Net income and earnings per common share for the third quarter of 1996 were $20.1 million and 64 cents per share, compared to a loss of $57.3 million and $1.93 per share in the third quarter of 1995. For the nine months of 1996 and 1995, net income was $37.4 million, or $1.16 per share, and a net loss of $19.1 million, or 71 cents per share, respectively. Excluding the impact of the 1995 dispositions of businesses, comparable 1996 year-to-date net income declined 33.5 percent due primarily to lower operating results as discussed above.

Business Segments

Packaging

Packaging net sales for the third quarter and year-to-date periods of 1996 were 22.6 percent and 25.2 percent lower, respectively, than prior year's net sales.

Excluding the operating results of the glass container business in 1995, comparable packaging net sales for the third quarter and nine month periods of 1996 exceeded 1995 amounts by 2.0 percent and 5.3 percent, respectively, reflecting increased sales in the metal food container business and first year sales from the company's new PET plastic container business, which were partially offset by lower metal beverage container sales. Operating results for the packaging segment, excluding the consolidated 1995 glass container results recorded prior to the 1995 disposition and the impact of the sale of the glass business, were 1.1 percent and 30.1 percent lower for the third quarter and year-to-date period of 1996, respectively. The marginal decline in the 1996 third quarter reflects lower metal beverage container earnings and startup losses of the PET plastic container business largely offset by improved 1996 metal food container operating earnings . The nine month period of 1996 reflects lower results in the metal beverage container business, as well as the impact of startup losses in the PET plastic container business and a $2.7 million pretax charge for a reduction in packaging administrative staff, all of which was partially offset by higher metal food container earnings .

Within the packaging segment, North American metal beverage container shipments of cans and ends have increased by 4 percent and 7 percent for the third quarter and nine month periods of 1996, respectively, compared to prior year. The impact of increased shipping volume on net sales has been substantially offset by lower selling prices, due to the effect of lower market prices for aluminum sheet and competitive pricing. Lower operating earnings in the North American metal beverage container business were a result of lower metal pricing and manufacturing inefficiencies caused by the conversion of production capabilities to smaller diameter ends and lower gauge aluminum. Sales of metal beverage containers in China by the company's Hong Kong-based subsidiary increased for the 1996 third quarter and year-to-date periods versus 1995, though year-to-date operating earnings were lower due to metal cost increases and competitive pricing.

Sales in the North American metal food container business increased in excess of 6 percent for the third quarter and nine month periods of 1996 compared to 1995, with third quarter operating earnings that more than doubled those of the prior year period. Operating earnings for the year-to-date period were approximately 80 percent higher compared to the prior year period. A 9 percent increase in food container shipments for the year and improved manufacturing efficiencies contributed to the improved results. Subsequent to the 1996 third quarter, the company sold its aerosol can manufacturing business.
The effect of this disposition has not yet been quantified.

The company's PET plastic container facilities in Chino, California and Baldwinsville, New York began shipping containers in the first quarter of 1996, and a third plant in Reading, Pennsylvania became operational in June. A fourth manufacturing plant in Ames, Iowa was announced in late May, with production scheduled to begin in early 1997. On November 4, 1996, the company entered into a definitive agreement to acquire certain assets of Brunswick Container, a company which manufactures PET plastic bottles, for approximately $30 million.

Aerospace and Technologies

Net sales for the aerospace and technologies segment for the third quarter and nine month periods of 1996 were 21.0 percent and 15.8 percent higher than the prior year. Segment operating earnings for the third quarter of 1996 were 54.5 percent higher than the same quarter of 1995, and the 1996 nine month results were marginally higher than those of the prior year, which included an $11.8 million gain on the sale of the Efratom business in March 1995 and a charge of $8.0 million for additional costs related to the discontinuance of the imaging products business. Excluding the effects of the Efratom and imaging products businesses from 1995 results, sales and operating earnings for the nine month period of 1996 were 20.6 percent and 21.7 percent higher, respectively, than the nine month period of 1995. The increased sales and earnings are primarily attributable to a significant, classified multi-year contract into which the company entered in late 1995. Contract backlog was $373 million at September 29, 1996, compared to $420 million and $369 million at December 31, 1995 and October 1, 1995, respectively.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Net cash provided by operating activities was $3.3 million for the nine months of 1996 compared to $38.1 million for the same period of 1995. The decrease in cash provided by operations is primarily due to lower operating earnings from packaging operations. Capital spending for the first nine months of 1996 of $144.5 million was primarily for construction of the PET plastic container facilities, the completion of lightweighting projects in North American beverage packaging facilities, and construction of international metal packaging facilities. Total capital spending for 1996 is anticipated to be under $200 million. In addition, the company provided $39.4 million for investments in and advances to equity affiliates in the first nine months of 1996 largely in Brazil and Thailand. The company's investment in Ball-Foster largely comprised the $218.1 million reported as the change in cash attributable to investments in and advances to equity affiliates in 1995.

Working capital (excluding cash and current debt) was $378.0 million at

September 29, 1996 compared to $245.1 million at December 31, 1995. The increase of $132.9 million largely related to higher accounts receivable resulting from the effect of normal seasonal working capital requirements primarily in the food business. The working capital ratio (total current assets divided by total current liabilities) was 1.14 at the 1996 third quarter end versus 1.19 at year end 1995.

Total debt at September 29, 1996 was $720.6 million compared to $475.4 million at December 31, 1995. The increase of $245.2 million was used to fund operations including seasonal working capital requirements, capital spending and investments in affiliates. Debt-to-total capitalization at the end of the 1996 third quarter increased to 53.6 percent from 44.7 percent at year end 1995, reflecting the higher level of debt.

In January 1996, the company completed a private placement of long-term senior notes totaling $150 million. At September 29, 1996, the company had committed revolving credit facilities of $280 million with various banks consisting of a $150 million, five-year facility and 364-day facilities amounting to $130 million. The company also had $356 million in uncommitted credit facilities from various banks, of which $105 million was outstanding, and a Canadian dollar commercial paper facility of approximately $88 million, of which $66 million was outstanding. The company's Hong Kong-based metal packaging subsidiary had uncommitted credit facilities of approximately $79 million of which $45 million was outstanding. Under the company's receivable sale agreement, a net amount of $66.5 million of domestic packaging trade receivables have been sold without recourse at September 29, 1996, which are reflected as a reduction in accounts receivable. Fees in connection with this program, included in general and administrative expenses, were $2.7 million and $3.3 million for the nine month periods of 1996 and 1995, respectively.

PART II. OTHER INFORMATION

Item 1. Legal proceedings

There were no events required to be reported under Item 1 for the quarter ending September 29, 1996.

Item 2. Changes in securities

There were no events required to be reported under Item 2 for the quarter ending September 29, 1996.

Item 3. Defaults upon senior securities

There were no events required to be reported under Item 3 for the quarter ending September 29, 1996.

Item 4. Submission of matters to a vote of security holders

There were no events required to be reported under Item 4 for the quarter ending September 29, 1996.

Item 5. Other information

On November 8,1996, the company announced that it has signed an agreement with Lam Soon (Hong Kong) Limited to acquire Lam Soon's controlling interest in M.C. Packaging (Hong Kong) Limited for approximately $73 million. The acquisition, which will be made through the company's Hong Kong-based subsidiary, FTB Packaging Limited, is expected to close by early in 1997, subject to receiving certain approvals.

Item 6. Exhibits and reports on Form 8-K

(a) Exhibits

10.1 Ball Corporation Long-Term Cash Incentive Plan dated October 25, 1994, as amended October 23, 1996.

11.1 Statement Re: Computation of Earnings per Share

27.1 Financial Data Schedule for the Nine Months Ending September 29, 1996

99.1 Cautionary statement for purposes of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995

99.2 Press release announcing an agreement dated November 8, 1996, between Ball Corporation and Lam Soon (Hong Kong) Limited to acquire Lam Soon's controlling interest in M.C. Packaging (Hong Kong) Limited.

(b) Reports on Form 8-K

A Current Report on Form 8-K, dated July 16, 1996, identifying important factors that could cause the company's actual results to differ materially from those projected in forward-looking statements of the company made by, or on behalf of the company, in connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, filed July 16, 1996.

A Current Report on Form 8-K, dated October 16, 1996, announcing the disposition of the company's 42 percent indirect interest in Ball-Foster Glass Container Co., L.L.C. effective October 1, 1996.

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/ R. David Hoover
R. David Hoover
Executive Vice President,
Chief Financial Officer
and Treasurer

Date: November 13, 1996

Ball Corporation and Subsidiaries
QUARTERLY REPORT ON FORM 10-Q
September 29, 1996

EXHIBIT INDEX

<TABLE>
<CAPTION>

Description	Exhibit
<S>	<C>
Ball Corporation Long-Term Cash Incentive Plan, dated October 25, 1994, as amended October 23, 1996.	EX-10.1
Statement Re: Computation of Earnings (Loss) per Share	EX-11.1
Financial Data Schedule for the Nine Months Ending September 29, 1996	EX-27.1
Cautionary statement for purposes of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995.	EX-99.1
Press release announcing an agreement dated November 8,1996, between Ball Corporation and Lam Soon (Hong Kong) Limited to acquire Lam Soon's controlling interest in M.C. Packaging (Hong Kong) Limited	EX-99.2

</TABLE>

Exhibit 10.1
Ball Corporation Long-Term Cash Incentive Plan, dated
October 25, 1994, as amended October 23, 1996

BALL CORPORATION

LONG-TERM CASH INCENTIVE PLAN

(As Amended October 23, 1996)

Section I

Terms and Conditions

The purpose of the Ball Corporation Long-Term Cash Incentive Plan (the "Plan") is to advance the interests of Ball Corporation (the "Company") and its subsidiaries by providing a long-term financial incentive to selected key executives who contribute and are expected to continue to contribute materially to the success of the Company and its subsidiaries through their leadership skills, vision and dedication.

Section II

Plan Concept

The Plan, offered in conjunction with the various Ball Stock Option Plans, provides awards on the basis of Ball's total return (stock price appreciation plus dividends) performance over three-year performance cycles which begin at the start of each calendar year.

Section III

Administration of the Plan

The plan shall be administered by the Human Resources Committee of the Board of Directors (the "Committee"). The Committee shall have full and final authority to interpret the Plan and the awards granted thereunder, to prescribe, amend and rescind rules and regulations, if any, relating to the Plan and to make all determinations necessary or advisable for the administration of the Plan. No member of the Committee shall be liable for anything done or omitted to be done by him or by any other member of the Committee in connection with the Plan, except for his own willful misconduct or gross negligence.

Section IV

Effective Date

The effective date of the Plan is August 1,1994, as adopted by the Board of Directors of Ball (the "Board") on October 25, 1994, and as amended effective October 22, 1996.

Section V

Operation of the Plan

Performance Cycles -- The normal operation of the Plan provides for performance cycles beginning each January 1, which last for three calendar years. However, as a transition, there were two phase-in awards which provided the opportunity for payments at the end of 1995 and 1996, as follows:

```
1994     |   1995    |   1996    |   1997    |   1998    |   1999    |

8/1/94 -------------->               }   Phase-In
                                     }   Cycles
8/1/94 -------------------------->   }

            1/1/95-------------------------->

                      1/1/96--------------------------->
```

1/1/97---------------------------->

1/1/98------------------->

1/1/99------->

Participation -- Participants in the Plan and individual participation opportunities shall be determined by the Committee. Actual awards will be dependent on performance levels as explained below. The amount of the award will be prorated for performance greater than minimum but less than target and for performance greater than target but less than maximum.

Performance Requirements -- Awards are dependent upon Ball's total shareholder return over the performance period (defined as stock price appreciation plus dividends assumed to be reinvested). For the transition cycles beginning August 1, 1994, and ending December 31, 1995 and 1996, the performance requirements, defined in terms of average annual compound rate of growth in total shareholder return, are as follows:

Minimum -- 8% annual growth
Target -- 12% annual growth
Maximum -- 20% annual growth

In calculating the stock price under the Plan, the average of the five trading days ending at the beginning and at the end of the performance period will be used.

For cycles ending December 31, 1997, 1998 and 1999, the performance requirements, in terms of annual average compound rate of growth in total shareholder return, comparing average daily Ball closing stock prices and dividends in the third year of the cycle with the average daily closing stock prices and dividends in the year 1996, as compared with those for the S&P 400 stock index, are as follows:

*Minimum -- the 37.5th percentile of the S&P 400 stock index

Target -- the 50th percentile of the S&P 400 stock index

Maximum -- the 75th percentile of the S&P 400 stock index

*For the cycles ending December 31, 1997 and 1998, total shareholder return must be positive to result in a payout.

For cycles ending December 31, 2000, and later, the performance requirements will remain as above, except that in determining the annual average compound rate of growth in total shareholder return, the average daily closing stock prices in the third year of the cycle will be compared with the average daily closing stock prices in the year prior to the start of the cycle.

Form and Timing of Payment -- The awards will be made in cash as soon as practical after the close of the Performance Period, but no later than March 15 of the year following the close of such period. However, for those executives whose Ball Corporation stock holdings are below the established guidelines, up to one-half of the award will be made in restricted stock.

SECTION VI

Terms and Conditions

Termination of Employment Due to Death, Disability or Retirement -- If death, disability or early or normal retirement, as defined in the Ball Pension Plan for Salaried Employees, occurs prior to the end of one or more cycles in which an executive was a participant, the participant's performance award for each such cycle will be paid as provided in Section V hereof, except the award under this paragraph shall be calculated as follows for each cycle in which the terminated executive was a participant:

> Award Opportunity achieved under the plan for each full performance cycle times a fraction, the numerator of which is the number of calendar days of continuous employment completed by the participant during each cycle and the denominator of which is the total number of calendar days in the cycle.

Beneficiary Designation for Termination by Death -- A participant may designate a beneficiary or beneficiaries who, upon the participant's death, are to receive the amounts that otherwise would have been paid to the participant. All designations shall be in writing and signed by the participant. The designation shall be effective only if and when delivered to Ball during the lifetime of the participant. The participant may change his/her beneficiary or beneficiaries with a signed, written instrument delivered to Ball. Payouts shall be in accordance with the last unrevoked written designation of beneficiary that has been signed and delivered to Ball's senior vice president of administration.

Termination of Employment for Reasons Other Than Death, Disability or Retirement - -- If a participant's employment is terminated by Ball other than for cause, prior to the end of one or more performance cycles, payout shall be in accordance with the same terms as for termination due to death, disability or retirement as described above. If termination is for cause, the participant shall not be entitled to any payout with respect to any incomplete performance cycle.

Merger, Consolidation or Acquisition -- In the event of a merger, consolidation, or acquisition such that Ball is not the surviving corporation, performance awards will become immediately payable based on the performance achieved as of the end of the most recently completed calendar year for each cycle as to which the grant of award opportunities has occurred at least six months previously.

Recapitalization -- In the event of any increase or decrease in the total number of shares of Ball Corporation common stock resulting from a subdivision or consolidation of shares or other capital adjustment or the payment of a stock dividend or other increase or decrease in such shares effected without receipt of consideration by Ball, Ball's total shareholder return calculation shall be adjusted for each incomplete performance cycle at the effective date of such recapitalization, as if such recapitalization had been effected at the beginning of each such performance cycle.

Nonalienation of Benefits -- Neither the participant nor any designated beneficiary under the Plan shall have the power to transfer, assign, anticipate, hypothecate, or otherwise encumber in advance any of the benefits payable hereunder, nor shall said benefits be subject to seizure for the payment of any debts or judgments or be transferable by operation of law in the event of bankruptcy, insolvency or otherwise.

No Right to Continued Employment -- Ball may continue to employ a participant in such capacity or position as it may from time to time determine, but Ball retains the right to terminate the participant's employment with or without cause. Ball also retains the right to terminate the Plan, but only with respect to performance cycles not yet begun, and all the participant's rights hereunder, whether or not the participant's employment is terminated.

Exhibit 11.1
<TABLE>

Ball Corporation and Subsidiaries
STATEMENT RE: COMPUTATION OF EARNINGS (LOSS) PER SHARE
(Millions of dollars except per share amounts)

<CAPTION>

	Three months ended		Nine months ended	
	September 29, 1996	October 1, 1995	September 29, 1996	October 1, 1995
Earnings per Common Share - Assuming No Dilution				
Net income	$ 20.1	$ (57.3)	$ 37.4	$ (19.1)
Preferred dividends, net of tax benefit	(0.7)	(0.7)	(2.2)	(2.3)
Net earnings attributable to common shareholders	$ 19.4	$ (58.0)	$ 35.2	$ (21.4)
Weighted average number of common shares outstanding (000s)	30,471	30,099	30,253	30,010
Net earnings per share of common stock	$ 0.64	$ (1.93)	$ 1.16	$ (0.71)
Earnings per Share - Assuming Full Dilution				
Net income	$ 20.1	$ (57.3)	$ 37.4	$ (19.1)
Adjustments for deemed ESOP cash contribution in lieu of Series B ESOP Preferred dividend	(0.5)	(0.7)	(1.6)	(2.3)
Net earnings attributable to common shareholders	$ 19.6	$ (58.0)	$ 35.8	$ (21.4)
Weighted average number of common shares outstanding (000s)	30,471	30,099	30,253	30,010
Dilutive effect of stock options	8	*	67	*
Common shares issuable upon conversion of Series B ESOP Preferred stock	1,964	*	1,998	*
Weighted average number shares applicable to fully diluted earnings per share	32,443	30,099	32,318	30,010
Fully diluted earnings per share	$ 0.60	$ (1.93)	$ 1.11	$ (0.71)

* No conversion is assumed as the effect is antidilutive.

</TABLE>

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EXHIBIT 27.1

BALL CORPORATION
FINANCIAL DATA SCHEDULE

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF INCOME FOR THE NINE MONTHS ENDED SEPTEMBER 29, 1996 AND THE UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS OF SEPTEMBER 29, 1996 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.
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Exhibit 99.1

Cautionary statement for purposes of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995.

CAUTIONARY STATEMENT FOR PURPOSES OF THE "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995.

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward-looking statements. The Company's Form 10-K, the Company's Annual Report to Shareholders, this or any other Form 10-Q or any Form 8-K of the Company may include forward-looking statements which reflect the Company's current views with respect to future events and financial performance.

The company wishes to caution readers that in addition to the important factors described elsewhere within its reports, the following important factors, among others, may cause the actual segment and consolidated results during 1996, and beyond, to differ materially from those expressed in any forward looking statements made by, or on behalf of the company.

- - Underutilization of the company's plants and factories, or of any plant expansions or new plants, including, but not limited to, those in the packaging products segment, resulting in production inefficiencies and higher costs; start-up expenses and inefficiencies and delays and increased costs in connection with the start of production in new plants and expansions, including, but not limited to, those in the plastic container operations.

- - Financial results are based upon assumptions, estimates and judgments of management and, as a result, actual performance may differ from forward-looking estimates based upon changes in facts, circumstances, improved information or changes in accounting.

- - The company's actions in connection with continued and increasing competition in many product and service areas, including, but not limited to, metal beverage packaging, food container packaging, plastic container packaging and aerospace products and services, including price competition, fluctuating demand for certain products in certain seasons, such as food containers which are subject to seasonal changes in the weather; competition in the Aerospace industry, particularly in the commercial telecommunications and space markets, which could result in fluctuating results from quarter to quarter.

- - Difficulties in obtaining raw materials, supplies, power and natural resources, and any other items needed for the production of metal, glass, and plastic containers as well as telecommunications and aerospace products which could affect the company's or its affiliates' ability to ship containers and telecommunications and aerospace products.

- - Pricing of raw materials, supplies, power and natural resources needed for the production of metal, glass, and plastic containers as well as telecommunications and aerospace products. Pricing and ability to sell scrap associated with the production of metal containers. The effect of changes in the cost of warehousing the company's products.

- - Difficulties, delays or failures in the development, production, testing and marketing of metal, glass, plastic and aerospace products, including, but not limited to, a failure to ship new products and technologies when anticipated, including, can and end technologies; the failure of customers to accept these products or technologies when planned.

- - The failure of EarthWatch, Incorporated, to launch successfully satellites planned for 1996 and subsequent years; technological or market acceptance issues, performance failures in related contracts or subcontracts, including any failure of EarthWatch to receive additional financing needed for EarthWatch to continue to make payments, or any events which would require the company to provide additional financial support for EarthWatch, Incorporated.

- - The inability of the company or its subsidiaries to realize investments in the glass container business and other joint venture companies due to changed economic conditions, customer preferences, relationships, bankruptcy, currency risk, or political risk.

- - The inability of the company, its subsidiaries and joint ventures to successfully establish metal container plants in certain designated international markets as well as the failure of customers to accept these products; the inability of the packaging subsidiaries and joint ventures to perform contracts or subcontracts, including the inability of these subsidiaries and joint ventures to receive additional financing needed for these subsidiaries to continue to make payments, or any events which would require the company to provide additional financial support for such subsidiaries and joint ventures.

- - The inability to sell products and services due to the customers' changing markets or relationships and the inability to collect or extreme delays in collecting accounts receivables.

- - The effects of, and changes in, laws and regulations, other activities of governments (including political situations and inflationary economies), agencies and similar organizations, including, but not limited to, those affecting frequency, use and availability of metal, glass and plastic containers, the authorization and control over the availability of government contracts and the nature and continuation of those contracts and the related services provided thereunder, the use of remote sensing data and changes in domestic and international tax laws.

- - The cancellation or termination of government contracts by the U.S. government, other customers, or other government contractors.

- - The costs and other effects of legal and administrative cases and proceedings (whether civil, or criminal), settlements and investigations, claims, and changes in those items, and developments or assertions by or against the company relating to products and services, environmental, intellectual property rights and intellectual property licenses, and compliance with the law.

- - The effect on revenue, profits, assets and liabilities as the result of decisions by the Internal Revenue Service, or other taxing authorities, courts of law, arbitral tribunals, legislative bodies or administrative agencies.

- - The effects of changes in the company's organization or in the compensation and/or benefit plans; any changes in agreements regarding investments or joint ventures in which the company has an investment; the amount, type or cost of the company's financing and changes to that financing.

- - Risks involved in purchasing and selling products and services and receiving payments in currencies other than the U.S. dollar.

EXHIBIT 99.2

Press Release announcing an agreement dated November 8, 1996, between Ball Corporation and Lam Soon (Hong Kong) Limited to acquire Lam Soon's controlling interest in M.C. Packaging (Hong Kong) Limited

FTB PACKAGING LIMITED
(incorporated in Hong Kong with limited liability)

M.C. PACKAGING (HONG KONG) LIMITED
(incorporated in Hong Kong with limited liability)

LAM SOON (HONG KONG) LIMITED
(incorporated in Hong Kong with limited liability)

JOINT ANNOUNCEMENT
CONDITIONAL ACQUISITION BY FTB PACKAGING LIMITED (the "Offeror")
OF A CONTROLLING INTEREST
IN M.C. PACKAGING (HONG KONG) LIMITED (the "Company")

and

POSSIBLE CASH OFFER BY
LEHMAN BROTHERS ASIA LIMITED
ON BEHALF OF THE OFFEROR
FOR ALL OF THE ISSUED SHARES IN THE COMPANY (OTHER THAN THOSE ALREADY AGREED TO BE ACQUIRED BY THE OFFEROR AND PARTIES ACTING IN CONCERT WITH IT)

The respective boards of directors of the Offeror, the Company, and Lam Soon (Hong Kong) Limited (the "Vendor") announce that on November 7, 1996, a conditional sale and purchase agreement (the "Share Sale Agreement") was entered into by the Offeror and the Vendor pursuant to which the Vendor agreed to sell and the Offeror agreed to purchase (i) 5,805 shares of HK$1 each in the capital of Fung Shun Investment Company Limited ("Fung Shun"), representing approximately 58.05% of the issued share capital of Fung Shun (the "Fung Shun Shares"), and (ii) 6,503,766 shares of HK$0.20 each in the capital of the Company, representing approximately 0.97% of the issued share capital of the Company (the "M.C.P. Shares"). Fung Shun owns 336,000,000 shares of HK$0.20 each in the capital of the Company (representing approximately 50.23% of the issued share capital of the Company). Such 336,000,000 shares in the Company are the sole assets of Fung Shun. Fung Shun's outstanding liability is under HK$100,000.

As at the date hereof, the shareholding structure of the Company is as follows:

- --
(narrative description of chart included in the press release)

The Vendor (listed company) owns 58.05% of Fung Shun and 0.97% of The Company (listed company)

Ng Fung Hong (Holdings) Ltd. owns 41.95% of Fung Shun and 4.42% of The Company (listed company)

Fung Shun owns 50.23% of The Company (listed company)

Others including the public own 44.38% of The Company (listed company)
- --

After completion of the Share Sale Agreement ("Completion") in accordance with its terms, the Offeror will control, directly and indirectly through Fung Shun, approximately 51.20% of the voting rights of the Company, as detailed below.

SHAREHOLDING STRUCTURE OF THE COMPANY
IMMEDIATELY FOLLOWING COMPLETION

- --
(narrative description of chart included in the press release)

The Offeror owns 58.05% of Fung Shun and 0.97% of The Company (listed company)

Ng Fung Hong (Holdings) Ltd. owns 41.95% of Fung Shun and 4.42% of The Company (listed company)

Fung Shun owns 50.23% of The Company (listed company)

Others including the public own 44.38% of The Company (listed company)
- ---

CONDITIONS OF THE SHARE SALE AGREEMENT

Completion of the Share Sale Agreement is conditional on the satisfaction of the following conditions:

(A) If The Stock Exchange of Hong Kong Limited (the "Stock Exchange") so requires, the shareholders of the Vendor (other than persons precluded from voting in accordance with The Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") or otherwise by the Stock Exchange) having approved the transaction contemplated by the Share Sale Agreement at an extraordinary general meeting to be convened, as soon as reasonably practicable and in any event no later than December 22, 1996 (details of which will be set out in a separate announcement issued by the board of the Vendor today); and

(B) a waiver or rejection having been received by the Vendor from Ng Fung Hong (Holdings) Limited ("NFH"), in terms reasonably satisfactory to the Offeror in relation to NFH's right of first refusal to purchase the Fung Shun Shares pursuant to the articles of association of Fung Shun, or the period of 60 days having elapsed since receipt by NFH of a written offer to sell the Fung Shun Shares pursuant to the articles of association of Fung Shun, which written offer was sent to NFH today forthwith after the execution of the Share Sale Agreement, without NFH having accepted such offer.

If the conditions set out above are not satisfied on or before January 31, 1997, either the Vendor or the Offeror shall have the right upon five business days written notice to all other parties to the Share Sale Agreement to terminate it.

The Fung Shun Shares and the M.C.P. Shares (collectively, the "Sale Shares") are to be acquired free from all liens, charges, encumbrances, equities and third party rights, together with all rights attaching thereto, provided that the Company may pay the interim dividend already declared by the Company which will be paid in November 1996, and Fung Shun may then declare and pay pro-rata dividends.

The total consideration for the Sale Shares is HK$564,344,944.80 representing an offer price of HK$2.80 per M.C.P. Share in respect of 6,503,766 M.C.P. Shares directly held by the Vendor and HK$94,080.00 per Fung Shun Share in respect of 5,805 Fung Shun Shares held by the Vendor.

Pursuant to the Share Sale Agreement, an amount equivalent to 10 percent of the consideration for the Sale Shares (the "Retained Consideration") is to be retained by the Offeror and will be subject to deductions in the event that the Company or any of its subsidiaries is found to have any obsolete or unsaleable stock as at Completion or in the event that certain accounts receivable existing as at the date of Completion cannot be collected during the period of six to nine months following Completion. The balance (if any) of the Retained Consideration will be paid to the Vendor not later than one year after Completion.

POSSIBLE CASH OFFER

In accordance with the requirements under the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"), a possible cash offer (the "Offer"), subject to Completion of the Share Sale Agreement, will be made by Lehman Brothers Asia Limited on behalf of the Offeror, for all the shares in the Company (the "Shares") (other than those agreed to be acquired, directly or indirectly, by the Offeror and parties acting in concert with the Offeror during the Offer period) ("Offer Shares"), on the following basis:--

For each Offer Share HK$2.80 in cash

The Offer values the whole of the issued share capital of the Company of 668,860,000 Shares at approximately HK$1,872,808,000. The Offer price of HK$2.80 per Offer Share is the result of arm's length negotiations between the Offeror and the Vendor. Such price represents a premium of approximately 8.7% to the closing market price of the Shares, HK$2.575, quoted on the Stock Exchange on November 6, 1996. The Company does not have any outstanding warrants or convertible securities. The Offer will not be extended to the options under the Company's share option scheme as such options are not transferable.

All the Offer Shares will be acquired free from all claims, liens, charges, equities and encumbrances and third party rights of any kind and together with all rights attaching thereto after Completion.

Apart from (i) Mr. Lo Foo Cheung ("Mr. Lo"), managing director of the Offeror who owns 500 Shares and (ii) Mr. Mak Yue Kay ("Mr. Mak"), a director of the Offeror who owns 20,000 Shares, neither the Offeror nor any person acting in concert with the Offeror presently owns any Shares or has dealt therein in the six months preceding the date of this announcement. Mr. Lo acquired his 500 Shares in 1992 pursuant to a share exchange at the time of listing of the Company on the Stock Exchange. Mr. Mak acquired his 20,0000 Shares in 1992 as part of such listing of the Company at a price of HK$1.614 per Share.

The obligations of the Offeror to make the Offer will not arise unless and until completion occurs, which is conditional upon the satisfaction of the conditions described above, namely the shareholders of the Vendor having approved the transaction contemplated by the Share Sale Agreement no later than December 22, 1996, and a waiver or rejection having been received by the Vendor from NFH in relation to NFH's right of first refusal to purchase the Fung Shun Shares. The Offeror also has the right to rescind the Share Sale Agreement in the event of a material breach of the warranties contained in the Share Sale Agreement ("Warranties") prior to Completion. In the event of it being found prior to Completion that any of the Warranties are untrue, misleading or incorrect in any material respect or in the event of any matter or thing arising or becoming known or being notified to the Offeror which is inconsistent in any material respect with any of the Warranties or any other provision of the Share Sale Agreement the Offeror shall not be bound to complete the purchase of the Sale Shares and the Offeror may by notice to the Vendor rescind the Share Sale Agreement. Under the Share Sale Agreement, "material" shall be interpreted to mean any fact or occurrence of such significance or importance as would, if known to a reasonable purchaser in the position of the Offeror and in the circumstances of the transaction contemplated under the Share Sale Agreement, deter him from proceeding to Completion in accordance with its terms.

Ad valorem stamp duty arising in connection with acceptances of the Offer will be payable by those shareholders of the Company who accept the Offer and will be deducted from the consideration payable on acceptance of the Offer.

Lehman Brothers Asia Limited is satisfied that sufficient financial resources are available to the Offeror to enable it to satisfy acceptance of the Offer in full.

The Company intends to apply to the Securities and Futures Commission for its consent for the offer document to be posted to shareholders of the Company within seven days of fulfillment or waiver of the last of the conditions of the Share Sale Agreement in accordance with Rule 8.2 of the Takeovers Code.

INFORMATION REGARDING THE OFFEROR

The Offeror is a company incorporated in Hong Kong and is owned approximately 96 percent by Ball Corporation, a company incorporated under the laws of the State of Indiana, U.S.A. and listed on the New York Stock Exchange, the Pacific Stock Exchange, and the Midwest Stock Exchange. The balance of the issued capital in the Offeror is beneficially owned by the management of the Offeror. The principal activities of the Offeror are mainly the manufacture of two-piece metal beverage cans. The principal activities of Ball Corporation are the manufacture of two-piece metal beverage cans and other rigid metal and plastic packaging for foods and beverages, and the provision of aerospace and other technology products and services to government and commercial customers. No one shareholder or group of shareholders controls Ball Corporation.

The major executive directors of the Offeror are Mr. Lo, Chairman and Chief Executive Officer, and Mr. Mak, Vice President Operations. The major executive directors of Ball Corporation include Mr. George A. Sissel, Chairman of the Board, President and Chief Executive Officer; Mr. R. David Hoover, Executive Vice President, Treasurer and Chief Financial Officer; and Mr. David B. Sheldon, Executive Vice President, Packaging Operations. Mr. Sissel and Mr. Hoover also serve on the board of directors of Ball Corporation. Mr. Hoover and Mr. Sheldon also serve on the board of directors of the Offeror.

The Offeror is a private Hong Kong company with paid-up capital of HK$480,000,000 divided into 480,000,000 shares of HK$1 each. Ball Corporation reported annual sales of US$2,591.7 million for 1995 and total assets of US$1,612.5 million as of December 31, 1995.

Several synergies could result from the ownership by the Offeror of the Company including technology and technical management infusion, economies of scale in the purchasing of raw materials and administrative efficiencies. As far as Ball Corporation and/or the Offeror are concerned, they can distinguish themselves in terms of customers and market segments with respect to the products produced by the Company. Ball Corporation and the Offeror recognize that there is a possible conflict of interest in the business of the Company and that of the Offeror.

The Offeror will undertake to ensure that the business of the Company does not compete with the business of the Offeror by rationalizing their respective business operations and customer bases. The directors of the Offeror also undertake to ensure that the issue on conflict of interest will be resolved.

INFORMATION REGARDING THE COMPANY

The principal activities of the Company are the manufacture and sale of two-piece aluminum cans, three-piece tin containers, plastic bottles, and closures. It is also engaged in the provision of metal plate printing and coating services as well as the trading of packaging products and related equipment. According to the Company's interim report for the six months ended June 30, 1996, the consolidated turnover of the Company for such period was HK$840,642,000 and profit attributable to shareholders was HK$30,275,000.

The Offeror shall be entitled upon Completion to appoint new directors to the Company to replace the directors of the Company nominated by the Vendor.

It is the Offeror's present intention that the Company shall carry on its existing business after Completion. There is currently no plan for any injection or disposal of any assets.

LISTING OF THE COMPANY

It is the intention of the Offeror to maintain the listing of the shares of the Company (the "Shares" on the Stock Exchange. Accordingly, in the event that following the close of the Offer less than 25 percent of the Company's issued share capital is held by the public, the Offeror will undertake to take appropriate steps to ensure that not less than 25 percent of the Shares will be so held.

The Stock Exchange has stated that, in the event that less than 25 percent of the Shares is in public hands following the close of the Offer, it will closely monitor the trading in the Shares. If the Stock Exchange believes that a false market exists or may exist in the Shares, or that there are insufficient shares in public hands to maintain an orderly market, then it will give consideration to exercising its discretion to suspend dealings in the Shares.

The Stock Exchange has also stated that, if the Shares continue to be listed on the Stock Exchange, any acquisitions or disposals by the Company will be subject to the provisions of the Listing Rules. Pursuant to the Listing Rules, the Stock Exchange has the discretion to require the Company to issue a circular to the shareholders where any acquisition or disposal by the Company is proposed, irrespective of the size of each acquisition or disposal and in particular where such acquisition or disposal represents a departure from the principal activities of the Company. The Stock Exchange also has the power, pursuant to the Listing Rules, to aggregate a series of acquisitions or disposals by the Company and any such acquisitions or disposals may, in any event, result in the Company being treated as a new applicant for listing and subject to the requirements for new applicants as set out in the Listing Rules.

An independent financial adviser will be appointed to advise an independent committee of the board of the Company and to advise the minority shareholders of the Company in relation to the Offer in due course.

Trading of the Shares was suspended at 10:00 a.m. on November 7, 1996, and will be resumed at 10:00 a.m. on November 8, 1996.

Shareholders and other investors who are contemplating dealing in the securities of the Company are advised to exercise extreme caution.

By order of the Board
FTB Packaging Limited
Lo Foo Cheung
Chairman and Chief Executive Officer

By order of the Board
M.C. Packaging (Hong Kong) Limited
Mo Hin Wai
Company Secretary

By order of the Board
Lam Soon (Hong Kong) Limited
Ho King Cheung
Company Secretary

Hong Kong, November 7, 1996