

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K
CURRENT REPORT

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

October 1, 1996
(Date of earliest event reported)

BALL CORPORATION
(Exact name of Registrant as specified in its charter)

Indiana	1-7349	35-0160610
(State of	(Commission File No.)	(IRS Employer
Incorporation)		Identification No.)

345 South High Street
Muncie, Indiana 47307
(Address of principal executive offices, including zip code)

(317) 747-6100
(Registrant's telephone number, including area code)

ITEM 2. DISPOSITION OF ASSETS

On October 1, 1996, BG Holdings I, Inc., BG Holdings II, Inc. (each indirect wholly owned subsidiaries of Ball Corporation ("Ball") and collectively referred to herein as the "Ball Subsidiaries"), Saint-Gobain Corporation and its wholly-owned subsidiary, Saint-Gobain Holdings I Corp (the "Saint-Gobain Subsidiary") and Ball-Foster Glass Container Co., L.L.C. ("Ball-Foster") entered into a Purchase Agreement (the "Purchase Agreement") pursuant to which each Ball Subsidiary sold its 21% Ordinary Interest (42% in the aggregate) in Ball-Foster to the Saint-Gobain Subsidiary for an aggregate purchase price of \$190 million in cash. Capitalized terms not otherwise defined herein are used as defined in the Purchase Agreement. The Purchase Price for the transaction was determined as a result of arms length negotiations between the parties. Prior to the closing of the transactions contemplated by the Purchase Agreement, the Saint-Gobain Subsidiary owned a 58% Ordinary Interest in Ball-Foster. As a result of the transaction, Ball and its affiliates have no further equity interest in Ball-Foster. Ball-Foster was formed by affiliates of Ball and Saint-Gobain on September 15, 1995, at which time Ball-Foster acquired the glass container manufacturing business (the "Ball Glass Business") owned by certain Ball affiliates. Ball continues to provide certain services to Ball-Foster for which Ball receives a fee. In addition, in connection with the closing under the Purchase Agreement described above, the final post-closing purchase price adjustment due in connection with the sale of the Ball Glass Business to Ball-Foster was determined, resulting in a payment of an additional \$11 million to an affiliate of Ball.

ITEM 5. OTHER EVENTS.

On October 7, 1996, Ball Corporation ("Ball") announced that it plans to exit the aerosol can manufacturing business by selling its Cincinnati manufacturing plant and certain other assets to BWAY Corporation of Atlanta for an aggregate purchase price of \$36 million. The transaction is expected to close in the fourth quarter, contingent upon required regulatory filings. A copy of the press release that was issued by Ball relating to such agreement and certain other matters is attached hereto as an Exhibit and incorporated herein by reference.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

(b) Unaudited Pro Forma Financial Information

The following unaudited pro forma condensed consolidated statements of income (loss) of Ball Corporation and Subsidiaries ("the Company") for the year ended December 31, 1995 and for the six-month period ended June 30, 1996 and the condensed consolidated balance sheet as of June 30, 1996 give effect to the following two transactions: (1) the sale of substantially all of the assets of Ball Glass Container Corporation ("Ball Glass") a wholly-owned subsidiary of the Company on September 15, 1995 to Ball-Foster Glass Container Co., L.L.C. ("Ball-Foster"), a joint venture limited liability company of which the Company acquired a 42% interest (the "1995

Transactions"); (2) the sale of the Company's 42% interest in Ball-Foster to Compagnie de Saint-Gobain on October 1, 1996, (the "1996 Transaction"). The pro forma statements are prepared as if the aforementioned transactions had occurred January 1, 1995 for the statements of income (loss) and at June 30, 1996 for the balance sheet.

Proceeds of the 1995 Transactions were \$141.9 million and proceeds of the 1996 Transaction include \$190.0 million of cash from the sale of the Company's 42% interest in Ball-Foster, \$11.0 million in settlement of the purchase price adjustment for the September 15, 1995 sale of Ball Glass to Ball-Foster and \$8.4 million received as cash distributions from Ball-Foster under the limited liability company agreement.

The unaudited pro forma condensed consolidated statements of income (loss) are not necessarily indicative of the results which would have been obtained had the transactions occurred at January 1, 1995, nor are they necessarily indicative of future results. The unaudited pro forma condensed consolidated balance sheet is not necessarily indicative of the actual application of the proceeds had the transactions occurred at June 30, 1996. The pro forma financial information should be read in conjunction with: the accompanying notes to unaudited pro forma condensed consolidated statements of income (loss); the accompanying notes to unaudited pro forma condensed consolidated balance sheet; the Company's Annual Report on Form 10-K for the year ended December 31, 1995 and Company's Quarterly Reports on Form 10-Q for the quarters ended March 31, 1996 and June 30, 1996.

<TABLE>
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Ball Corporation and Subsidiaries
Pro Forma Condensed Consolidated Statement of Income (Loss)
For the Year Ended December 31, 1995
(Unaudited)

<S>	<C> Ball Corporation Historical	<C> Reverse Ball Glass/ Ball-Foster	<C> Pro Forma Adjustments	<C> Pro Forma As Adjusted
(dollars in millions except for per share amounts)				
Net Sales	\$ 2,591.7	\$ (545.9) (a)		\$ 2,045.8
COSTS AND EXPENSES:				
Cost of sales	2,339.4	(502.8) (a)		1,836.6
Selling, general and administrative expenses	112.1	(16.2) (a)	5.4 (d)	101.3
Net loss on dispositions (net), restructuring and other	118.2	(111.1) (b)		7.1
Interest expense	37.8	- (a)	(17.1) (e)	20.7
	-----	-----	-----	-----
(Loss) income before taxes on income, minority interests and equity in earnings of affiliates	(15.8)	84.2	11.7	80.1
Provision for income tax benefit (expense)	0.1	(24.5) (a), (b)	(4.6) (f)	(29.0)
Minority interests	(4.6)	2.9 (a)		(1.7)
Equity in earnings of affiliates	1.7	1.3 (c)		3.0
	-----	-----	-----	-----
Net (loss) income	(18.6)	63.9	7.1	52.4
Preferred dividends, net of tax benefit	(3.1)			(3.1)
	-----	-----	-----	-----
Net (loss) earnings attributable to common shareholders	\$ (21.7)	\$ 63.9	\$ 7.1	\$ 49.3
	=====	=====	=====	=====
Net (loss) earnings per share of common stock	\$ (0.72)			\$ 1.64
	=====			=====
Fully diluted (loss) earnings per share	\$ (0.72)			\$ 1.55
	=====			=====
(number of shares in thousands)				
Weighted average common shares outstanding	30,024			30,024
	=====			=====
Weighted average shares outstanding--fully diluted	32,328			32,328

See accompanying notes to pro forma condensed consolidated statements of income (loss).

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Ball Corporation and Subsidiaries
Pro Forma Condensed Consolidated Statement of Income (Loss)
For the Six-Month Period Ended June 30, 1996
(Unaudited)

<S>	<C>	<C>	<C>	<C>
(dollars in millions except for per share amounts)	Ball Corporation Historical	Reverse Ball Glass/ Ball-Foster	Pro Forma Adjustments	Pro Forma As Adjusted
Net Sales	\$ 1,062.1			\$ 1,062.1
COSTS AND EXPENSES:				
Cost of sales	972.4			972.4
Selling, general and administrative expenses	47.9			47.9
Interest expense	19.8		(4.8) (e)	15.0
	-----	-----	-----	-----
Income before taxes on income, minority interests and equity in earnings of affiliates	22.0		4.8	26.8
Provision for income tax expense	(8.1)		(1.9) (f)	(10.0)
Minority interests	0.2			0.2
Equity in earnings of affiliates	3.2	(0.7) (c)		2.5
	-----	-----	-----	-----
Net income	17.3	(0.7)	2.9	19.5
Preferred dividends, net of tax benefit	(1.5)			(1.5)
	-----	-----	-----	-----
Net earnings attributable to common shareholders	\$ 15.8	\$ (0.7)	\$ 2.9	\$ 18.0
	=====	=====	=====	=====
Net earnings per share of common stock	\$ 0.52			\$ 0.60
	=====			=====
Fully diluted earnings per share	\$ 0.50			\$ 0.57
	=====			=====
(number of shares in thousands)				
Weighted average common shares outstanding	30,145			30,145
	=====			=====
Weighted average shares outstanding--fully diluted	32,260			32,260
	=====			=====

See accompanying notes to pro forma condensed consolidated statements of income (loss).

</TABLE>

Ball Corporation and Subsidiaries

NOTES TO PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS) (Unaudited)

- (a) To reverse the results of Ball Glass included in the consolidated results for the period from January 1, 1995 through September 15, 1995 (date of sale of Ball Glass to Ball-Foster). Interest expense has not been adjusted since interest-bearing indebtedness related to Ball Glass was retained by the Company.
- (b) To exclude the nonrecurring loss recognized upon disposition of Ball Glass in September 1995.
- (c) To reverse the Company's 42% equity interest in Ball-Foster's earnings/loss for the periods of September 15, 1995 through December 31, 1995, and January 1, 1996 through June 30, 1996.
- (d) To reflect certain allocated corporate overhead costs which were not eliminated as a consequence of the sale of Ball Glass.
- (e) Reflects the application of the \$141.9 million proceeds received from the 1995 Transactions, and the \$209.4 million proceeds received from the 1996 Transaction, to reduce the Company's

indebtedness. Interest expense was reduced at weighted average interest rates of 4.9% in 1995 and 4.6% in 1996.

- (f) To reflect the income tax effects of the pro forma adjustments at statutory rates.

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Ball Corporation and Subsidiaries
Pro Forma Condensed Consolidated Balance Sheet

As of June 30, 1996
(Unaudited)

<S>	<C>	<C>	<C>	<C>
(dollars in millions)	Ball Corporation Historical	Sale of Ball-Foster	Application of Proceeds	Pro Forma As Adjusted
ASSETS				
Current Assets				
Cash	\$ 20.2	\$ 209.4 (a)	\$ (209.4) (b)	\$ 20.2
Accounts receivable, net	326.8			326.8
Inventories, net	338.0			338.0
Other current assets	85.3	(19.8) (a)		65.5
	-----	-----	-----	-----
Total current assets	770.3	189.6	(209.4)	750.5
Property, plant and equipment, net	697.0			697.0
Investments in affiliates	253.6	(167.4) (a)		86.2
Other long-term assets	145.0	(2.1) (a)		142.9
	-----	-----	-----	-----
	\$ 1,865.9	\$ 20.1	\$ (209.4)	\$ 1,676.6
	=====	=====	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Short-term debt and current portion of long-term debt	\$ 266.9		\$ (183.0) (b)	\$ 83.9
Accounts payable	242.0			242.0
Other current liabilities	134.8			134.8
	-----	-----	-----	-----
Total current liabilities	643.7		(183.0)	460.7
Long-term debt	431.7		(26.4) (b)	405.3
Other long-term liabilities	184.3	10.1 (a)		194.4
	-----	-----	-----	-----
Total noncurrent liabilities	616.0	10.1	(26.4)	599.7
Minority interests	9.5			9.5
Shareholders' equity	596.7	10.0 (a)		606.7
	-----	-----	-----	-----
	\$ 1,865.9	\$ 20.1	\$ (209.4)	\$ 1,676.6
	=====	=====	=====	=====

See accompanying notes to pro forma condensed consolidated balance sheet.

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Ball Corporation and Subsidiaries
NOTES TO PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
(Unaudited)

- (a) To reflect the sale of the Company's 42% equity interest in Ball-Foster. The \$10.0 million addition to shareholders' equity represents the Company's preliminary estimate of the after-tax gain to be recognized from the sale.
- (b) Reflects the application of the net cash proceeds from the 1996 Transaction to reduce indebtedness at June 30, 1996.
- (c) Exhibits:
- Exhibit 2: Purchase Agreement, dated as of September 13, 1996, by and among BG Holdings I, Inc., BG Holdings II, Inc., Saint-Gobain Corporation, and Ball-Foster Glass Container Co., L.L.C..
- Exhibit 99.1: Ball Corporation Press Release, issued September 16, 1996.
- Exhibit 99.2: Ball Corporation Press Release, issued October 7, 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 hereunto duly authorized.

By:/s/ Donald C. Lewis

Name: Donald C. Lewis
Title: General Counsel and
Assistant Corporate Secretary

Date: October 16, 1996

EXHIBIT INDEX

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Exhibit - -----	Description -----
2	Purchase Agreement, dated as of September 13, 1996, by and among BG Holdings I, Inc., BG Holdings II, Inc., Saint-Gobain Corporation, and Ball-Foster Glass Container Co., L.L.C..
99.1	Press release issued September 16, 1996.
99.2	Press release issued October 7, 1996.

PURCHASE AGREEMENT

PURCHASE AGREEMENT, dated as of September 13, 1996 (the "Agreement"), by and among BG Holdings I, Inc., a Delaware corporation ("BGHI"), BG Holdings II, Inc., a Delaware corporation ("BGHII"), Saint-Gobain Holdings I Corp., a Delaware corporation ("Purchaser"), Saint-Gobain Corporation, a Pennsylvania corporation ("SGC"), and Ball-Foster Glass Container Co., L.L.C. (formerly Foster-Ball, L.L.C.), a limited liability company organized under the laws of the State of Delaware (the "Company"). BGHI and BGHII are collectively referred to herein as "Sellers"; the Company, SGC and Purchaser are collectively referred to herein as the "Purchaser Entities." Capitalized terms not otherwise defined herein are used as defined in the LLC Agreement (as defined below).

WHEREAS, Sellers and Purchaser are parties to that certain Amended and Restated Limited Liability Company Agreement, dated as of June 26, 1995 (as amended to date, the "LLC Agreement"), pursuant to which Sellers and Purchaser have associated themselves as members of the Company; and

WHEREAS, Sellers are the record and beneficial owners of Interests in the Company and Sellers desire to sell and Purchaser desires to purchase all of Sellers' Interests (the "Seller Interests") in the Company (collectively representing a 42% Ordinary Interest in the Company) on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual agreements contained herein, the parties hereto agree as follows:

1. Purchase and Sale of Seller Interests. Subject to the terms and conditions of this Agreement, and in reliance upon the representations, warranties and covenants contained herein, at the Closing described in Section 2 hereof, Sellers will sell, assign, transfer and convey to Purchaser, and Purchaser will purchase from Sellers, all of the Seller Interests, free and clear of all liens, claims or encumbrances of whatever nature (collectively, "Liens"). In consideration of the aforesaid sale, Purchaser will pay to Sellers at the Closing the aggregate of \$190 million in cash (the "Purchase Price"), \$95 million of which shall be paid to BGHI and \$95 million of which shall be paid to BGHII. In the event that the Purchase Price is not paid to Sellers prior to October 15, 1996 and the conditions to Closing set forth in Section 7(a) and 7(c) have been satisfied or waived, from and after the later of October 15, 1996 or the date all such conditions have been satisfied or waived, Purchaser shall pay to Sellers interest on the full amount of the Purchase Price at a rate per annum equal to the then prime rate as published by Citibank N.A. until such time as the Purchase Price and all interest accrued thereon is paid in full.

2. Closing. The Closing shall be held at the office of Skadden, Arps, Slate, Meagher & Flom, 333 West Wacker Drive, Chicago, Illinois 60606 as soon as practicable (but in no event more than five business days) after satisfaction or waiver of the conditions to Closing set forth in Section 7 hereof at 10:00 A.M., local time, or at such other time and place as may be agreed to by the parties hereto.

3. Deliveries at the Closing. At the Closing, (a) Sellers will deliver to Purchaser (i) such documents, if any, that are necessary to vest in Purchaser good and valid title to the Seller Interests and (ii) resignations of each of the Seller's Representatives from the Members Committee, effective as of the Closing; and (b) Purchaser will deliver the Purchase Price by wire transfer of immediately available funds to an account or accounts designated by Sellers.

4. Sellers' Representations and Warranties. Each Seller hereby represents and warrants to Purchaser as follows:

(a) Each Seller is a corporation, duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation. Each Seller has the full corporate power and authority to execute, deliver and carry out the terms and provisions of this Agreement and consummate the transactions contemplated hereby, and has taken all necessary corporate and stockholder action to authorize the execution, delivery and performance of this Agreement;

(b) This Agreement has been duly and validly executed and delivered by each Seller and constitutes a valid and binding obligation of each Seller, enforceable against each Seller in accordance with its terms, subject to applicable principles of equity, bankruptcy, reorganization, insolvency or other laws affecting the enforcement of creditors' rights generally;

(c) Each Seller is the sole record and beneficial owner of the

Seller Interests owned by it (each representing a twenty-one percent (21%) Ordinary Interest in the Company) and has good and valid title to such Seller Interests, free and clear of all Liens and any other limitation or restriction on the right to vote, sell or otherwise dispose of such Seller Interests (except as provided in the LLC Agreement or required by applicable law) and will transfer and deliver to Purchaser at the Closing valid title to such Seller Interests, free and clear of any Lien and any such other limitation or restriction (except as provided in the LLC Agreement or required by applicable law);

(d) Neither Seller owns any Preferred Interest and there is no balance in either Seller's Preferred Interest Account;

(e) The execution and delivery of this Agreement by each Seller does not, and the performance by each Seller of its obligations hereunder will not, constitute a violation of, conflict with or result in a default under, (i) the certificate of incorporation or by-laws, or the other constituent documents, as the case may be, of such Seller, (ii) any contract, commitment, agreement, understanding, arrangement or restriction of any kind to which such Seller is a party or by which such Seller is bound, or any license, franchise, permit or similar authorization held by such Seller or (iii) any judgment, injunction, decree or order applicable to such Seller, except for such violations, conflicts or defaults which do not have a material adverse effect on Sellers' ability to consummate the transactions contemplated hereby, nor is any Seller required to obtain the approval of any person (except for any such approval the failure of which to obtain would not have a material adverse effect on Sellers' ability to consummate the transactions contemplated hereby) to effect the sale of the Seller Interests as contemplated hereby;

(f) Except as would not have a material adverse effect on Sellers' ability to consummate the transactions contemplated hereby, neither the execution and delivery of this Agreement nor the performance by any Seller of its obligations hereunder will violate any law, rule or regulation applicable to such Seller or require any consent or approval of, other action by or filing with or notice to, any public body or authority under any provision of law applicable to such Seller other than notices or filings pursuant to the federal securities laws or the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"); and

(g) There is no action, suit, investigation or proceeding pending against, or to the knowledge of either Seller threatened against or affecting, either Seller or any of their respective properties before any court or arbitrator or any governmental body, agency or official which in any manner challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement.

5. Purchaser's Representations and Warranties. Each Purchaser Entity hereby represents and warrants to Sellers as follows:

(a) Each Purchaser Entity is a corporation or a limited liability company, duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation. Each Purchaser Entity has the full power and authority to execute, deliver and carry out the terms and provisions of this Agreement and consummate the transactions contemplated hereby, and has taken all necessary action to authorize the execution, delivery and performance of this Agreement;

(b) This Agreement has been duly and validly authorized, executed and delivered by each Purchaser Entity and constitutes a valid and binding agreement of such Purchaser Entity, enforceable in accordance with its terms, subject to applicable principles of equity, bankruptcy, reorganization, insolvency or other laws affecting the enforcement of creditors' rights generally;

(c) The execution and delivery of this Agreement by each Purchaser Entity does not, and the performance by such Purchaser Entity of its obligations hereunder will not, constitute a violation of, conflict with or result in a default under, (i) the certificate of incorporation or by-laws, or the other constituent documents, as the case may be, of such Purchaser Entity, (ii) any contract, commitment, agreement, understanding, arrangement or restriction of any kind to which such Purchaser Entity is a party or by which such Purchaser Entity is bound or any license, franchise, permit or similar authorization held by such Purchaser Entity, or (iii) any judgment, injunction, decree or order applicable to such Purchaser Entity, except for such violations, conflicts or defaults which do not have a material adverse effect on Purchaser's ability to consummate the transactions contemplated hereby, nor is such Purchaser Entity required to obtain the approval of any person (except for any such approval the failure of which to obtain would not have a material adverse effect on Purchaser's ability to consummate the transactions contemplated hereby) to effect the purchase of the Seller Interests as contemplated hereby;

(d) Except as would not have a material adverse effect on Purchaser's ability to consummate the transactions contemplated hereby,

neither the execution and delivery of this Agreement nor the performance by any Purchaser Entity of its obligations hereunder will violate any law, rule or regulation applicable to such Purchaser Entity or require any consent or approval of, other action by or filing with or notice to, any public body or authority under any provision of law applicable to such Purchaser Entity other than notices or filings pursuant to the federal securities laws or the HSR Act; and

(e) There is no action, suit, investigation or proceeding pending against, or to the knowledge of any Purchaser Entity threatened against or affecting, any Purchaser Entity before any court or arbitrator or any governmental body, agency or official which in any manner challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement.

6. Certain Other Agreements.

(a) Termination of Liability.

(i) Upon the execution of this Agreement, neither Seller nor any of their affiliates shall have any obligation to the Company under the LLC Agreement to make any capital contribution or other payment to the Company (including any capital contribution that would otherwise be due from Sellers under Section 3.2(d) of the LLC Agreement as a result of any Net Adjustment Amount) unless the Closing does not occur and this Agreement is terminated in accordance with its terms, in which case Sellers shall be obligated to make any capital contribution or other payment required to be made by them in accordance with the terms of the LLC Agreement. Except as otherwise provided in Section 6(c)(iv)(A) hereof, upon consummation of the Closing, neither Seller nor any of their respective affiliates shall have any liability or obligation of any kind or nature to the Company or its Members under the LLC Agreement and, effective as of the Closing, except as otherwise provided in Section 6(c)(iv)(A) hereof, each of SGC, SGH and the Company hereby releases and forever discharges each Seller and their respective affiliates from all of their liabilities and obligations under the LLC Agreement.

(ii) Except as otherwise provided in Sections 6(b) and 6(c)(iv)(B) and (C) hereof, upon consummation of the Closing, neither the Company nor Purchaser shall have any liability or obligation of any kind or nature to either Seller or any of their respective affiliates under the LLC Agreement (including, but not limited to, any obligation to make any distribution or other payment to either Seller pursuant to Article 5 of the LLC Agreement) and, except as otherwise provided in Sections 6(b) and 6(c)(iv)(B) and (C) hereof, each Seller hereby releases and forever discharges Purchaser, the Company and their respective affiliates from all of their liabilities and obligations under the LLC Agreement.

(b) Certain Tax Matters. The Sellers' distributive

share of the Company's income or loss for the taxable year in which the Closing takes place shall be determined based on a closing of the Company's books as of the close of business on the last business day prior to the Closing. Notwithstanding the sale of the Sellers Interests to Purchaser, Sellers will receive all distributions pursuant to Section 5.1(a) of the LLC Agreement in respect of any taxes incurred or to be incurred by Sellers or their affiliates as a result of Sellers' ownership of interests in the Company through the Closing and without regard to the limitations set forth in the penultimate sentence of Section 5.1(a) of the LLC Agreement. At the Closing, the Company will pay to Sellers in cash by wire transfer of immediately available funds the amount of \$8,377,018, representing all distributions with respect to taxes which have not been paid as of the Closing and are required to be paid pursuant to Section 5.1(a) of the LLC Agreement on or before the Closing without regard to the limitations set forth in the penultimate sentence of such Section 5.1(a). No Purchaser Entity shall have any responsibility with respect to any federal, state or local tax of the Sellers arising as a result of the Sale by Sellers of their Seller's Interest to Purchaser.

(c) LLC Agreement.

(i) The parties hereto agree that notwithstanding the provisions of Sections 10.1(a) and 15.5 of the LLC Agreement or any other section of the LLC Agreement, the purchase and sale of the Seller Interests pursuant to this Agreement, which are not being consummated pursuant to the provisions of Article 10 or Article 11 of the LLC Agreement, are expressly permitted.

(ii) The parties hereto (A) acknowledge that Purchaser is currently a Member and therefore need not be admitted as a Member

in connection with its purchase of the Seller Interests and (B) agree that the provisions of Section 10.10(c) of the LLC Agreement shall not apply to the purchase and sale of the Seller Interests pursuant to this Agreement, that the purchase by Purchaser of the Seller Interests will be valid without compliance with the provisions of Section 10.10 and that Purchaser will succeed to the rights and obligations of Sellers but not Ball Parent under the Transaction Documents.

(iii) Each Seller acknowledges that upon consummation of the Closing, such Seller shall have assigned all of its Seller Interests to Purchaser and, in accordance with Section 18-702 of the Delaware Limited Liability Company Act, 6 Del. C. ss.ss. 18-101 et seq. and Section 10.10 of the LLC Agreement, such Seller shall cease to be a Member, to have any obligations or liabilities of a Member or to have the power to exercise any rights or powers of a Member except as provided in Section 6(c)(iv) below.

(iv) The parties hereto acknowledge that (A) the provisions of Section 9.1 of the LLC Agreement shall continue to be applicable to Sellers for a period of three years after the Closing in accordance with the terms thereof, (B) Sellers and any Indemnified Parties related to Sellers shall continue to be entitled to the benefits of Article 14 of the LLC Agreement (and specifically shall be indemnified and held harmless from and against any losses, claims, damages or expenses relating to the proposed acquisition by the Company of Anchor Glass Container Corporation, regardless of whether arising before or after the Closing) and (C) Sellers shall continue to be entitled to the benefits of Article 7 of the LLC Agreement with respect to periods during which Sellers were Members of the Company.

7. Conditions to Closing.

(a) The obligations of each party to consummate the Closing are subject to the conditions that (i) any applicable waiting period under the HSR Act relating to the transactions contemplated hereby shall have expired or been terminated and (ii) no provision of any applicable law or regulation shall prohibit, and no judgment, injunction, order or decree shall have been entered that prohibits, the consummation of the Closing.

(b) The obligations of Sellers to consummate the Closing are subject to the conditions that (i) Purchaser shall have performed in all material respects all of its obligations hereunder required to be performed by it, (ii) the representations and warranties of Purchaser contained in this Agreement shall be true and correct as of the Closing as if made as of such date and (iii) the Company shall have paid all amounts payable pursuant to that certain letter agreement among the Company, Ball Glass Container Corporation and Ball Parent of even date herewith (the "Letter Agreement").

(c) The obligations of Purchaser to consummate the Closing are subject to the conditions that (i) Sellers shall have performed in all material respects all of their obligations hereunder required to be performed by them and (ii) the representations and warranties of Sellers contained in this Agreement shall be true and correct as of the Closing as if made as of such date.

8. Termination.

(a) This Agreement may be terminated prior to the Closing (i) by the mutual written agreement of Purchaser and Sellers, (ii) by either Purchaser or Sellers, if the Closing shall not have been consummated on or before December 31, 1996 and the terminating party has not breached any provisions of this Agreement or (ii) by Purchaser or either Seller if there shall be any applicable law or regulation that makes consummation of the transactions contemplated hereby illegal or otherwise prohibited or if consummation of the transactions contemplated hereby would violate any nonappealable final order, decree or judgment of any court or governmental body having competent jurisdiction. The party desiring to terminate this Agreement shall give notice of such termination to the other parties.

(b) If this Agreement is terminated as permitted by Section 8(a), termination shall be without liability of any party (or any stockholder, director, officer, employee, agent, consultant or representative of such party) to the other parties to this Agreement; provided that if such termination shall result from the failure of any party to fulfill a condition to the performance of the obligations of the other parties, failure to perform a covenant of this Agreement or breach by any party hereto of any representation or warranty or agreements contained herein, such party shall be fully liable for any and all damages incurred or suffered by the other parties as a result of such failure or breach. The provisions of Section 10 shall survive any termination hereof pursuant to Section 8(a).

9. Public Announcements. The parties agree to consult with each other before issuing any press release or making any public statement with respect to this Agreement or the consummation of the transactions contemplated hereby and, except as may be required by applicable law or the applicable requirements of any national securities exchange, will not issue any such press release or make any such public statement without the prior written consent of the other parties hereto, which consent shall not be unreasonably withheld or delayed.

10. Expenses. All fees and expenses incurred by the Sellers in connection with this Agreement, including, but not limited to, brokerage fees, finder's fees, investment banking fees or legal fees, will be borne by the Sellers, and all fees and expenses incurred by the Purchaser Entities in connection with this Agreement, including, but not limited to, brokerage fees, finder's fees, investment banking fees or legal fees in connection with this Agreement, will be borne by Purchaser Entities.

11. Miscellaneous.

(a) This Agreement, the Letter Agreement and the letter agreement among the Company, Purchaser and Ball Parent of even date herewith (the "Lease Letter") constitute the entire agreement of the parties hereto and supersede all prior agreements and understandings, whether oral or written, between the parties hereto with respect to the subject matter hereof. To the extent the following agreements are not inconsistent with the agreements referred to in the immediately preceding sentence, the rights and obligations of the parties under the following agreements shall remain in full force and effect in the form executed by the parties and as amended to the date hereof: the Ball Purchase Agreement, the Parent Sideletters (subject to the provisions of the Lease Letter), the Macedonia Facilities Lease, effective as of September 16, 1995 between Ball Parent and the Company, the Trademark and Tradename Agreement, dated September 15, 1995, between Ball Parent and the Company, the Transition Services Agreement, dated September 15, 1995, between Ball Parent and the Company and the Transition Services Agreement, dated September 15, 1995, between SGC and Ball Parent. This Agreement may not be amended orally, but only by an instrument in writing signed by each of the parties to this Agreement.

(b) Subject to the terms and conditions of this Agreement, the parties hereto will use their reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or desirable under applicable law and regulations (including, if required to be filed by such party, the filing by Purchaser and Sellers of a Notification and Report Form pursuant to the HSR Act with respect to the transactions contemplated hereby and promptly providing any additional information that may be requested thereunder) to consummate the transactions contemplated hereby.

(c) This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns, including any successor to Purchaser or either Seller or substantially all of their assets or business, by merger, consolidation, purchase of assets, purchase of stock or otherwise; provided that no party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of each other party hereto except that Purchaser may assign its rights and obligations hereunder to another direct or indirect wholly-owned subsidiary of SGC, but such assignment will not release Purchaser of its obligations hereunder.

(d) Section headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

(e) This Agreement may be executed in any number of counterparts, each of which shall, when executed, be deemed to be an original and all of which shall be deemed to be one and the same instrument.

(f) This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware, without reference to the conflict of laws principles thereof.

(g) The parties hereby agree that any suit, claim, action or proceeding relating to or arising under this Agreement shall be brought in a state court of Delaware (a "Delaware Court"). Each party hereby consents to personal jurisdiction in any such action brought in any such Delaware Court, consents to service of process upon it in the manner set forth in Section 11(h) hereof, and waives any objection it may have to venue in any such Delaware Court or to any claim that any such Delaware Court is an inconvenient forum.

(h) All notices and other communications under this Agreement shall be in writing and delivery thereof shall be deemed to have been made either (i) if mailed, when received, or (ii) when transmitted by hand

delivery, telegram, telex, telecopier or facsimile transmission, to the party entitled to receive the same at the addresses indicated below or at such other address as such party shall have specified by written notice to the other parties hereto given in accordance herewith:

(1) if to Sellers, addressed to:

BG Holdings I, Inc.
BG Holdings II, Inc.
c/o Ball Packaging Corp.
9300 W. 108th Circle
Westminister, Colorado 80021-3682
Attention: David B. Sheldon, President

(with copies to:)

Skadden, Arps, Slate,
Meagher & Flom
333 West Wacker Drive
Suite 2100
Chicago, Illinois 60606
Attention: Charles W. Mulaney, Jr.

(2) if to Purchaser, addressed to:

Saint-Gobain Holdings I Corp.
c/o Thomas A. Decker
Saint-Gobain Corporation
750 N. Swedesford Road
P.O. Box 860
Valley Forge, PA 19482-7087
Fax: 610-341-7728

(with copies to:)

Saint-Gobain Corporation
750 N. Swedesford Road
P.O. Box 860
Valley Forge, PA 19482-7087
Attention: Thomas A. Decker
Fax: 610-341-7728

Davis Polk & Wardwell
450 Lexington Avenue
New York, New York 10017
Attention: William L. Rosoff
Fax: (212) 450-4800

(i) Any waiver by any party of a breach of any provision of this Agreement shall not operate as, or be construed to be a waiver of, any other breach of such provision or of any breach of any other provision of this Agreement.

(j) No provision in this Agreement shall constitute any person a third party beneficiary hereof.

(k) If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

(l) WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(m) SGC hereby guaranties the payment in full of the obligations of Purchaser hereunder in accordance with the terms hereof.

IN WITNESS WHEREOF, each of the parties hereto has executed or caused this Agreement to be executed as of the date first above written.

BG HOLDINGS I, INC.

By: /s/ David B. Sheldon

Name: David B. Sheldon
Title: President

BG HOLDINGS II, INC.

By: /s/ David B. Sheldon

Name: David B. Sheldon
Title: President

SAINT-GOBAIN HOLDINGS I CORP.

By: /s/ Thomas A. Decker

Name: Thomas A. Decker
Title: Vice-President

BALL-FOSTER GLASS CONTAINER CO., L.L.C.

By: /s/ Marcello Marazzini

Name: Marcello Marazzini
Title: Senior Vice-President and
Chief Financial Officer

SAINT-GOBAIN CORPORATION

By: /s/ Thomas A. Decker

Name: Thomas A. Decker
Title: Executive Vice-President and
General Counsel

BALL CORPORATION CONCLUDES BALL-FOSTER SALE;
ANNOUNCES SALE OF AEROSOL ASSETS

MUNCIE, Ind., October 7, 1996 -- Ball Corporation [NYSE:BLL] today announced it has completed the sale of its interest in a glass manufacturer and that it has reached an agreement for the sale of its aerosol can manufacturing assets.

Ball said it has concluded the previously announced sale of its 42-percent interest in Ball-Foster Glass Container Co., L.L.C., receiving more than \$190 million and completing Ball's exit from the glass container manufacturing industry. Ball will report a fourth quarter after-tax gain of approximately \$10 million, or 33 cents per share, on the sale of its interest in Ball-Foster, which was sold to Compagnie de Saint-Gobain.

Ball also said it will exit the aerosol can manufacturing business by selling its Cincinnati manufacturing plant and certain other assets to BWAY Corporation of Atlanta for net consideration of approximately \$36 million. The transaction is expected to close in the fourth quarter, contingent upon required regulatory filings.

Ball Corporation produces rigid metal and plastic containers, largely for foods and beverages, and provides aerospace and other technologies and services to government and commercial customers. The company reported 1995 sales of \$2.6 billion.

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Note: This news release may contain forward-looking statements as encouraged by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are necessarily projections which are subject to change upon the occurrence of certain events which may affect the business, many of which are set forth in the company's 8-K report filed with the Securities and Exchange Commission of July 16, 1996.

15/96

MEDIA CONTACT: Scott McCarty, 317/747-6175, evenings 317/284-2351,
smccarty@ball.com

INVESTOR CONTACT: Doug Poling, 317/747-6165, evenings 317/287-8470,

dpoling@ball.com

BALL CORPORATION HOME PAGE: <http://www.ball.com>

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