UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2017

Commission file number 001-07349

BALL CORPORATION

State of Indiana	**35-0160610**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
10 Longs Peak Drive, P.O. Box 5000	
Broomfield, CO 80021-2510	**80021-2510**
(Address of registrant's principal executive office)	(Zip Code)

Registrant's telephone number, including area code: **303/469-3131**

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒	Accelerated filer ☐
Non-accelerated filer ☐(Do not check if a smaller reporting company)	Smaller reporting company☐
	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ 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 April 30, 2017
Common Stock, without par value	175,577,956 shares

Ball Corporation
QUARTERLY REPORT ON FORM 10-Q
For the period ended March 31, 2017

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PART I. FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

BALL CORPORATION
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

($ in millions, except per share amounts)	Three Months Ended March 31, 2017	2016
Net sales	$ 2,473	$ 1,756
Costs and expenses		
Cost of sales (excluding depreciation and amortization)	(1,975)	(1,416)
Depreciation and amortization	(148)	(75)
Selling, general and administrative	(143)	(108)
Business consolidation and other activities	(55)	(267)
	(2,321)	(1,866)
Earnings (loss) before interest and taxes	152	(110)
Interest expense	(68)	(38)
Debt refinancing and other costs	—	(61)
Total interest expense	(68)	(99)
Earnings (loss) before taxes	84	(209)
Tax (provision) benefit	(22)	83
Equity in results of affiliates, net of tax	8	(1)
Net earnings (loss)	70	(127)
Less net earnings attributable to noncontrolling interests	(2)	—
Net earnings (loss) attributable to Ball Corporation	$ 68	$ (127)
Earnings (loss) per share:		
Basic	$ 0.39	$ (0.90)
Diluted	$ 0.38	$ (0.90)
Weighted average shares outstanding *(000s)*:		
Basic	175,024	141,793
Diluted	178,967	141,793

See accompanying notes to the unaudited condensed consolidated financial statements.

BALL CORPORATION
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS (LOSS)

($ in millions)	Three Months Ended March 31, 2017	2016
Net earnings (loss)	$ 70	$ (127)
Other comprehensive earnings (loss):		
Foreign currency translation adjustment	69	28
Pension and other postretirement benefits	6	6
Effective financial derivatives	64	—
Total other comprehensive earnings (loss)	139	34
Income tax (provision) benefit	(11)	(3)
Total other comprehensive earnings (loss), net of tax	128	31
Total comprehensive earnings (loss)	198	(96)
Less comprehensive (earnings) loss attributable to noncontrolling interests	(2)	—
Comprehensive earnings (loss) attributable to Ball Corporation	$ 196	$ (96)

See accompanying notes to the unaudited condensed consolidated financial statements.

BALL CORPORATION
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

($ in millions)	March 31, 2017	December 31, 2016
Assets		
Current assets		
Cash and cash equivalents	$ 458	$ 597
Receivables, net	1,695	1,491
Inventories, net	1,554	1,413
Other current assets	200	152
Total current assets	3,907	3,653
Noncurrent assets		
Property, plant and equipment, net	4,403	4,387
Goodwill	5,152	5,095
Intangible assets, net	1,917	1,934
Other assets	1,265	1,104
Total assets	$ 16,644	$ 16,173
Liabilities and Shareholders' Equity		
Current liabilities		
Short-term debt and current portion of long-term debt	$ 497	$ 222
Accounts payable	1,830	2,033
Accrued employee costs	264	315
Other current liabilities	427	399
Total current liabilities	3,018	2,969
Noncurrent liabilities		
Long-term debt	7,476	7,310
Employee benefit obligations	1,487	1,497
Deferred taxes	855	759
Other liabilities	85	97
Total liabilities	12,921	12,632
Shareholders' equity		
Common stock (334,660,441 shares issued - 2017; 334,252,175 shares issued - 2016)	1,040	1,038
Retained earnings	4,784	4,739
Accumulated other comprehensive earnings (loss)	(813)	(941)
Treasury stock, at cost (159,240,073 shares - 2017; 159,387,049 shares - 2016)	(1,392)	(1,401)
Total Ball Corporation shareholders' equity	3,619	3,435
Noncontrolling interests	104	106
Total shareholders' equity	3,723	3,541
Total liabilities and shareholders' equity	$ 16,644	$ 16,173

See accompanying notes to the unaudited condensed consolidated financial statements.

BALL CORPORATION
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

($ in millions)	Three Months Ended March 31, 2017	2016
Cash Flows from Operating Activities		
Net earnings (loss)	$ 70	$ (127)
Adjustments to reconcile net earnings (loss) to cash provided by (used in) continuing operating activities:		
Depreciation and amortization	148	75
Business consolidation and other activities	55	267
Deferred tax provision (benefit)	2	(50)
Other, net	7	10
Changes in working capital components *(a)*	(680)	(561)
Cash provided by (used in) operating activities	(398)	(386)
Cash Flows from Investing Activities		
Capital expenditures	(125)	(138)
Business acquisitions, net of cash acquired	—	(36)
Business dispositions, net of cash sold	31	—
Other, net	3	(11)
Cash provided by (used in) investing activities	(91)	(185)
Cash Flows from Financing Activities		
Long-term borrowings	185	801
Repayments of long-term borrowings	(50)	(407)
Net change in short-term borrowings	273	310
Proceeds from issuances of common stock, net of shares used for taxes	(1)	7
Acquisitions of treasury stock	(3)	(98)
Common dividends	(23)	(19)
Other, net	(1)	(22)
Cash provided by (used in) financing activities	380	572
Effect of exchange rate changes on cash	(30)	(20)
Change in cash and cash equivalents	(139)	(19)
Cash and cash equivalents - beginning of period	597	224
Cash and cash equivalents - end of period	$ 458	$ 205

(a) *Includes payments of costs associated with the acquisition of Rexam and the sale of the Divestment Business.*

See accompanying notes to the unaudited condensed consolidated financial statements.

Ball Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements

1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements include the accounts of Ball Corporation and its controlled affiliates, including its consolidated variable interest entities (collectively Ball, the company, we or our), have been prepared by the company. Certain information and footnote disclosures, including critical and significant accounting policies normally included in financial statements prepared in accordance with generally accepted accounting principles, have been condensed or omitted for this quarterly presentation.

Results of operations for the periods shown are not necessarily indicative of results for the year, particularly in view of the seasonality in the packaging segments, the variability of contract revenues in the company's aerospace segment, the acquisition of Rexam PLC (Rexam) and the divestiture of certain assets and liabilities of the combined business on June 30, 2016. These unaudited condensed consolidated financial statements and accompanying notes should be read in conjunction with the consolidated financial statements and the notes thereto included in the company's Annual Report on Form 10-K filed on March 2, 2017, pursuant to Section 13 of the Securities Exchange Act of 1934 for the fiscal year ended December 31, 2016 (annual report).

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires Ball's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting periods. These estimates are based on historical experience and various assumptions believed to be reasonable under the circumstances. Ball's management evaluates these estimates on an ongoing basis and adjusts or revises the estimates as circumstances change. As future events and their impacts cannot be determined with precision, actual results may differ from these estimates. In the opinion of management, the financial statements reflect all adjustments necessary to fairly state the results of the periods presented.

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

2. Accounting Pronouncements

Recently Adopted Accounting Standards

In January 2017, amendments to existing accounting guidance were issued simplifying an entity's subsequent goodwill measurement by eliminating Step 2, which requires a hypothetical purchase price allocation, from its annual or interim goodwill impairment test. An entity should recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. Additionally, an entity should consider income tax effects from any tax deductible goodwill on the carrying amount of the reporting unit when measuring the goodwill impairment loss, if applicable. This guidance is required to be applied prospectively on January 1, 2020, and early adoption is permitted. The company elected to early adopt this guidance effective January 1, 2017, and it did not have a material impact on the company's unaudited condensed consolidated financial statements.

In March 2016, final accounting guidance was issued clarifying that the assessment of whether an embedded contingent put or call option is clearly and closely related to the debt host only requires an analysis of the four-step decision sequence outlined in the accounting standards codification. Consequently, when a contingent put or call option embedded in a debt instrument would be evaluated for possible separate accounting as a derivative instrument, the nature of the exercise contingency would be disregarded. This guidance was applied on a modified retrospective basis on January 1, 2017, and did not have an effect on the company's unaudited condensed consolidated financial statements.

In March 2016, final accounting guidance was issued eliminating the requirement to retrospectively apply the equity method in previous periods when an investor initially obtains significant influence over an investee. The new guidance requires the investor to apply the equity method prospectively from the date the investment qualifies for the equity method. The investor will add the carrying value of the existing investment to the cost of the additional investment to determine the initial cost basis of the equity method investment. This guidance was applied prospectively on January 1, 2017, and did not have a material effect on the company's unaudited condensed consolidated financial statements.

Ball Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements

In March 2016, amendments to existing accounting guidance were issued to simplify various aspects related to how share-based payments are accounted for and presented in the consolidated financial statements. The company adopted these amendments on January 1, 2017, as discussed below, which did not have a material effect on the company's unaudited condensed consolidated financial statements.

- All excess tax benefits and tax deficiencies that were previously recognized in common stock are now recognized as income tax provisions (benefits) in the income statement as a discrete item. As required, this change was applied prospectively for settlements occurring after the adoption of the guidance on January 1, 2017.
- Any prior period excess tax benefits that did not reduce taxes payable in the period in which they arose were required to be recorded on a modified retrospective basis, with a cumulative effect adjustment to opening retained earnings. However, the company was able to reduce taxes payable for all previous excess tax benefits and, therefore, was not required to record a cumulative effect adjustment.
- The company has elected to use a prospective approach to report all tax related cash flows resulting from share-based payments as operating activities on the statement of cash flows and, therefore, no adjustments have been made to prior periods. Previously, excess tax benefits were reported as part of financing activities.
- The company has elected to account for forfeitures as they occur. No cumulative effect adjustment was required as the amount calculated was immaterial.

In March 2016, accounting guidance was issued on the effect of derivative contract novations on existing hedge accounting relationships. The amendments clarify that a change in the counterparty to a derivative instrument designated as a hedging instrument does not in and of itself require dedesignation of that hedging relationship, provided that all other hedge accounting criteria continue to be met. The guidance was applied prospectively on January 1, 2017, and did not have a material effect on the company's unaudited condensed consolidated financial statements.

New Accounting Guidance

In March 2017, amendments to existing guidance were issued to improve the presentation of net periodic pension cost and net periodic postretirement benefit cost, which requires employers to report the service cost component in the same line item as other compensation costs arising from services rendered by the associated employees during the period. The other components of net periodic pension and benefit cost are required to be presented in the income statement separately from the service cost component and outside a subtotal of income from operations, if one is presented. The amendments also permit only the service cost component of net benefit cost to be eligible for capitalization. This guidance is required to be applied retrospectively for the presentation of the service cost component and the other components of net periodic pension cost and net periodic postretirement benefit cost in the income statement, and prospectively for the capitalization of the service cost component. Employers can elect a practical expedient that permits use of the amounts disclosed in its pension footnote for the prior comparative periods as the estimation basis for applying the retrospective presentation requirements. The guidance is effective for Ball on January 1, 2018, and early adoption is permitted. The company has not elected to early adopt the new standard and is currently assessing the impact this guidance will have on its consolidated financial statements.

In February 2017, amendments to existing guidance were issued to clarify the scope of ASC Subtopic 610-20, Other Income-Gains and Losses from the Derecognition of Nonfinancial Assets and to add guidance for partial sales of nonfinancial assets. The guidance requires that all entities account for the derecognition of a business in accordance with ASC 810, including instances in which the business is considered in substance real estate. This guidance is required to be applied on January 1, 2018, using a full retrospective approach or a modified retrospective approach and early adoption is permitted. The company is currently assessing the impact that the adoption of this new guidance will have on its consolidated financial statements.

In January 2017, amendments to existing guidance were issued to further clarify the definition of a business in determining whether or not a company has acquired or sold a business. The amendments provide a screen to determine when an integrated set of assets and activities (collectively referred to as a "set") is not a business. The screen requires that when substantially all of the fair value of the gross assets acquired (or disposed of) is concentrated in a single identifiable asset or a group of similar identifiable assets, the set is not a business. If the screen is not met, the amendments in this update (1) require that to be considered a business, a set must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output and (2) remove the evaluation of whether a market participant could replace missing elements. The amendments also narrow the definition of the term “output” so that the term is consistent with how outputs are described in Topic 606. The guidance is required to be applied prospectively for Ball on January 1, 2018, and early adoption is permitted. The company does not expect the amendments to have a material impact on its consolidated financial statements and the company has not elected to early adopt this new accounting standard.

In November 2016, accounting guidance was issued that will require the statement of cash flows to explain the change in the total of cash, cash equivalents and restricted cash or restricted cash equivalents. In addition, restricted cash and restricted cash equivalents will need to be included in a cash reconciliation of beginning-of-period and end-of-period total amounts shown on the statement of cash flows. This guidance is required to be applied retrospectively on January 1, 2018. The company is currently assessing the impact that the adoption of this new guidance will have on its consolidated financial statements.

In October 2016, amendments to existing guidance were issued that will require entities to recognize the income tax consequences of an intra-entity transfer of an asset other than inventory, when the transfer occurs as opposed to when the asset is sold. The amendments also eliminate the exception for an intra-entity transfer of an asset other than inventory. This guidance is required to be applied on a modified retrospective basis through a cumulative-effect adjustment directly to retained earnings on January 1, 2018. The company is currently assessing the impact that the adoption of this new guidance will have on its consolidated financial statements.

In August 2016, accounting guidance was issued addressing the following eight specific cash flow issues:

- Debt prepayment or debt extinguishment costs
- Settlement of zero-coupon debt instruments or other debt instruments with coupon interest rates that are insignificant in relation to the effective interest rate of the borrowing
- Contingent consideration payments made after a business combination
- Proceeds from the settlement of insurance claims
- Proceeds from the settlement of corporate-owned life insurance policies (including bank-owned life insurance policies)
- Distributions received from equity method investees
- Beneficial interests in securitization transactions
- Separately identifiable cash flows and application of the predominance principle

This guidance is required to be applied retrospectively on January 1, 2018. The company is currently assessing the impact that the adoption of this new guidance will have on its consolidated financial statements.

In June 2016, amendments requiring financial assets or a group of financial assets measured at amortized cost basis to be presented at the net amount expected to be collected were finalized. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial asset to present the net carrying value at the amount expected to be collected on the financial asset. This guidance affects loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables and any other financial assets not excluded from the scope that have the contractual right to receive cash. The guidance will be effective on January 1, 2020. The company is currently assessing the impact the adoption of this standard will have on its consolidated financial statements.

In February 2016, lease accounting guidance was issued which, for operating leases, requires a lessee to recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, in its balance sheet. The guidance also requires a lessee to recognize a single lease cost, calculated so that the cost of the lease is allocated over the lease term, generally on a straight-line basis. The guidance will be effective for Ball on January 1, 2019. The company is currently assessing the impact the adoption of this standard will have on its consolidated financial statements and expects a material amount of assets and liabilities to be recorded in the consolidated balance sheet.

Ball Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements

In January 2016, accounting guidance was issued on the classification and measurement of financial assets and liabilities (equity securities and financial liabilities) under the fair value option, and the presentation and disclosure requirements for financial instruments. The guidance modifies how entities measure equity investments and present changes in the fair value of financial liabilities. Under the new guidance, entities will have to measure equity investments that do not result in consolidation and are not accounted under the equity method at fair value and recognize any changes in fair value in net income unless the investments qualify for the new practicality exception. An exception will apply to those equity investments that do not have a readily determinable fair value and do not qualify for the practical expedient to estimate fair value under the guidance and, as such, these investments may be measured at cost. The guidance will be effective on January 1, 2018. The company is currently assessing the impact that the adoption of this new guidance will have on its consolidated financial statements.

New Revenue Guidance

In May 2014, the Financial Accounting Standards Board (FASB) and International Accounting Standards Board jointly issued new revenue recognition guidance which outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The new guidance contains a more robust framework for addressing revenue issues and is intended to remove inconsistencies in existing guidance and improve comparability of revenue recognition practices across entities, industries, jurisdictions and capital markets. Under the new standard, revenue is recognized when a customer obtains control of promised goods or services and is recognized in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services. In addition, the standard requires disclosure of the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. In July 2015, the FASB approved the deferral of the effective date of the new revenue recognition guidance by one year. The new standard is effective for annual reporting periods beginning after December 15, 2017.

In March 2016, the principal versus agent guidance within the new revenue recognition standard was amended to clarify how an entity should identify the unit of accounting for the principal versus agent evaluation. The new standard requires an entity to determine whether it is a principal or an agent in a transaction in which another party is involved in providing goods or services to a customer, by evaluating the nature of its promise to the customer. An entity is a principal and records revenue on a gross basis if it controls the promised good or service before transferring the good or service to the customer. An entity is an agent and records as revenue the net amount it retains for its agency services if its role is to arrange for another entity to provide the goods or services.

In May 2016, narrow scope amendments and practical expedients were issued to clarify the new revenue recognition standard. The amendments clarify the collectability criterion of the revenue standard wherein an entity is allowed to recognize revenue in the amount of consideration received when the following criteria are met: the entity has transferred control of the goods or services, the entity has stopped transferring goods or services, or has no obligation under the contract to transfer additional goods or services, and the consideration received from the customer is nonrefundable. The amendments also clarify the following: the fair value of noncash consideration be measured at contract inception when determining the transaction price, allows an entity to make an accounting policy election to exclude from the transaction price certain types of taxes collected from a customer when the company discloses that policy, for contracts to be considered completed at transition, all (or substantially all) of the revenue must have been recognized under legacy GAAP, and a practical expedient is provided in which an entity can avoid having to evaluate the effects of each contract modification from contract inception through the beginning of the earliest period presented when accounting for contracts that were modified prior to adoption under both the full and modified retrospective transition approach.

In December 2016, technical corrections and improvements were issued on a variety of topics within the new revenue recognition standard. The corrections represent minor corrections or improvements and are not expected to have a significant impact on accounting practices. The amendments clarify the following: guarantee fees within the scope of Topic 460 are not within the scope of Topic 606, impairment testing for capitalized contract costs should consider both expected contract renewals and extensions and unrecognized consideration already received along with expected future consideration, the sequence of impairment testing for assets within the scope of different Topics, allowance of an accounting policy election to determine the provision for losses at the performance obligation level instead of the contract level, exclude all topics within Topic 944 from the scope of Topic 606, allow exemptions from the disclosures of remaining performance obligations, disclosure of prior-period performance obligations pertains to all performance obligations and is not limited to those with corresponding contract balances, and better aligns accounting guidance and examples within the guidance.

The guidance will be effective for Ball on January 1, 2018, and will supersede the current revenue recognition guidance, including industry-specific guidance. While early adoption is permitted, entities are not permitted to adopt the standard earlier than the original effective date of January 1, 2017. Entities have the option of using either a full retrospective or modified retrospective approach for the adoption of the standard. We currently anticipate adopting the standard on January 1, 2018, using the modified retrospective method.

We established a cross-functional implementation team, which includes representatives from all of our business segments. We utilized a bottoms-up approach to analyze the impact of the new standard on our contracts with customers by reviewing our current accounting policies and practices to identify potential differences that would result from applying the requirements of the new standard to revenues arising from such contracts. In addition, we are in the process of identifying the appropriate changes to our business processes, systems and controls to support recognition and disclosure under the standard upon adoption.

While we are continuing to assess all potential impacts of the new standard, we currently believe the most significant impact will be in the way we account for revenue in our metal beverage packaging segments, and to a lesser extent in our food and aerosol packaging segment. We currently recognize revenue from many of our contracts in these segments when the four established criteria of revenue recognition under the current guidance have been met, generally occurring upon shipment or delivery of goods. Under the new standard we expect we will be required to recognize revenue from many of these contracts over time, which will accelerate the timing of revenue recognition from these arrangements, such that some portion of revenue will be recognized prior to shipment or delivery of goods. In addition to accelerating the timing of recording revenue, we expect corresponding decreases in inventories with an offsetting increase to unbilled receivables to the extent the amounts have not yet been invoiced to the customer.

Relative to the aerospace segment, at this time we do not expect the implementation of the new standard to materially impact the manner in which we currently recognize revenue in this segment as the standard supports the recognition of revenue over time under the “cost-to-cost” method, which is consistent with the current revenue recognition model utilized for the majority of our contracts in this segment. We expect revenue arising from the majority of our contracts to continue to be recognized over time because of the continuous transfer of control to the customer. However due to the complexity of most of our aerospace contracts, the actual revenue recognition treatment required under the new standard will be dependent on contract-specific terms, and may vary in some instances from recognition over time.

Finally, we are still evaluating performance obligations under the new standard as compared with deliverables and separate units of account previously identified. The results of this evaluation may impact the timing of revenue recognition across all of our business segments.

We are complete with our initial impact assessment, which is based on a review of sample contracts representative of the range of our existing contracts. During 2017, Ball will continue to finalize the initial impact assessment and design and implement changes to processes, systems and internal controls to be in a position to report under the new accounting standard upon adoption in the first quarter of 2018.

Ball Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements

3. Business Segment Information

During the third quarter of 2016, Ball made certain segment realignments as a result of the Rexam acquisition and sale of Ball's existing beverage packaging businesses and select beverage can assets of Rexam (the Divestment Business) to align with how Ball now manages its businesses. Ball has retrospectively adjusted prior period amounts to conform to the current segment presentation. Ball's operations are organized and reviewed by management along its product lines and geographical areas and presented in the five reportable segments outlined below:

Beverage packaging, North and Central America: Consists of operations in the U.S., Canada and Mexico that manufacture and sell metal beverage containers.

Beverage packaging, South America: Consists of operations in Brazil, Argentina and Chile that manufacture and sell metal beverage containers.

Beverage packaging, Europe: Consists of operations in numerous countries in Europe, including Russia, that manufacture and sell metal beverage containers.

Food and aerosol packaging: Consists of operations in the U.S., Europe, Canada, Mexico, Argentina and India that manufacture and sell steel food and aerosol containers, extruded aluminum aerosol containers and aluminum slugs.

Aerospace: Consists of operations that manufacture and sell aerospace and other related products and provide services used in the defense, civil space and commercial space industries.

Other consists of non-reportable segments in Asia Pacific and AMEA that manufacture and sell metal beverage containers, undistributed corporate expenses, intercompany eliminations and other business activities.

The accounting policies of the segments are the same as those in the consolidated financial statements and are discussed in Note 1. The company also has investments in operations in Guatemala, Panama, South Korea, the U.S. and Vietnam that are accounted for under the equity method of accounting and, accordingly, those results are not included in segment sales or earnings.

Ball Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements

Summary of Business by Segment

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	Three Months Ended March 31,	
($ in millions)	**2017**	**2016**
Net sales		
Beverage packaging, North and Central America	$ 949	$ 734
Beverage packaging, South America	371	126
Beverage packaging, Europe	508	356
Food and aerosol packaging	272	284
Aerospace	236	180
Reportable segment sales	2,336	1,680
Other	137	76
Net sales	$ 2,473	$ 1,756
Comparable operating earnings		
Beverage packaging, North and Central America	$ 123	$ 93
Beverage packaging, South America	58	18
Beverage packaging, Europe	47	39
Food and aerosol packaging	21	20
Aerospace	21	18
Reportable segment comparable operating earnings	270	188
Reconciling items		
Other *(a)*	(31)	(31)
Business consolidation and other activities	(55)	(267)
Amortization of acquired Rexam intangibles	(32)	—
Earnings (loss) before interest and taxes	152	(110)
Interest expense	(68)	(38)
Debt refinancing and other costs	—	(61)
Total interest expense	(68)	(99)
Earnings (loss) before taxes	84	(209)
Tax (provision) benefit	(22)	83
Equity in results of affiliates, net of tax	8	(1)
Net earnings (loss)	70	(127)
Less net earnings attributable to noncontrolling interests	(2)	—
Net earnings (loss) attributable to Ball Corporation	$ 68	$ (127)

(a) Includes undistributed corporate expenses, net, of $45 million and $22 million for the first quarter of 2017 and 2016, respectively.

The company does not disclose total assets by segment as it is not provided to the chief operating decision maker.

Ball Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements

4. Acquisitions and Dispositions

Rexam

On June 30, 2016, Ball acquired 100 percent of the outstanding shares of Rexam PLC (Rexam), a U.K. based beverage container manufacturer, for the purchase price of £2.9 billion ($3.8 billion) in cash, and 32.25 million treasury shares of Ball Corporation common stock (valued at $71.39 per share for a total share consideration of $2.3 billion). Additionally, the company recorded $24 million of consideration for stock-based compensation. The common shares were valued using the price on the date of acquisition and were presented as a reduction of treasury stock. The cash portion of the acquisition price was paid in July 2016 using proceeds from restricted cash held in escrow and borrowings under the $1.4 billion and €1.1 billion Term A loan facilities obtained in March 2016.

The consummation of the acquisition was subject to, among other things, approval from Ball's shareholders, approval from Rexam's shareholders, certain regulatory approvals and satisfaction of other customary closing conditions. In order to satisfy certain regulatory requirements, the company was required to sell the Divestment Business.

In order to satisfy certain regulatory requirements, the company was required to sell a portion of Ball's existing beverage packaging business and select beverage can assets of the Divestment Business. The sale of the Divestment Business to Ardagh Group S.A. (Ardagh), was completed concurrently on June 30, 2016, for $3.42 billion, subject to customary closing adjustments and certain transaction service arrangements between Ball and Ardagh during a transition period. The sale agreement with Ardagh in respect of the Divestment Business contains customary representations, warranties, covenants and provisions allocating liabilities, as well as indemnification obligations to and from Ardagh, pursuant to which claims may be made when applicable. A pretax gain of $330 million was recorded in connection with the sale within business consolidation and other activities and is subject to finalization of working capital and other items. As a condition of the sale of the Divestment Business to Ardagh, the company has guaranteed a minimum volume of sales for the Divestment Business in 2017, whereby the company would be required to pay Ardagh up to $75 million based upon any shortfall of 2017 sales relative to an agreed-upon minimum threshold. Additionally, the company entered into a supply agreement with Ardagh to manufacture and sell can ends to the Divestment Business in Brazil in exchange for proceeds of $103 million.

In the sale of the Divestment Business to Ardagh on June 30, 2016, the company provided indemnifications for the uncertain tax positions of the Divestment Business sold to Ardagh. These indemnifications were accounted for as guarantees and the company initially recognized a liability equal to the fair value of the indemnities. There are no limitations on the maximum potential future payments the company could be obligated to make and, based on the nature of the indemnified items, the company is unable to reasonably estimate its potential exposure under these items.

During the three months ended March 31, 2017, the company recorded an additional $27 million in business consolidation and other costs for an increase in the estimated amount of the claims covered by the indemnification as a result of a tax audit in Germany and settlement discussions entered into with the German tax authorities in April. The estimated value of the claims under this indemnity is $50 million at March 31, 2017, and has been recorded within other current liabilities.

The portion of the Divestment Business composed of Ball's legacy beverage packaging businesses had earnings before taxes as shown below. These earnings before taxes may not be indicative of the earnings before taxes that would be generated by these components of the Divestment Business in future periods. Additionally, due to complexities associated with how Ball's legacy beverage packaging businesses included in the Divestment Business were integrated

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into Ball Corporation in historical periods, these earnings before taxes may not be indicative of the earnings before taxes of these components of the Divestment Business were they to be operated as a standalone business or businesses:

($ in millions)	Three Months Ended March 31, 2016
Earnings before taxes	$ 37
Earnings before taxes attributable to Ball Corporation	$ 37

The Rexam portion of the Divestment Business is not included in the table above as the financial information is not included in Ball's historical results.

A total of 54 manufacturing facilities were acquired from Rexam, including 17 in North America, 20 in Europe, 12 in South America and five in the AMEA region. A total of 22 manufacturing facilities were sold as part of the Divestment Business, including 12 Ball facilities and 10 Rexam facilities. Of these 22 facilities, eight are located in North America, 12 are located in Europe and two are located in Brazil. The company has a total of 75 beverage manufacturing facilities and joint ventures after the completion of the acquisition and the sale of the Divestment Business.

This acquisition aligns with Ball's Drive for 10 vision, including the company's longstanding capital allocation strategy and EVA philosophy. The combination creates the world's largest supplier of beverage containers allowing the company to better serve its customers with its enhanced geographic footprint and innovative product offerings. In particular, Ball expects the acquisition to deliver long-term shareholder value through optimizing global sourcing, reducing general and administrative expenses, sharing best practices to improve production efficiencies and leveraging its footprint to lower freight, logistics and warehousing costs. In addition, further value can be created through balance sheet improvements with a focus on working capital and inventory management and sustainability priorities as a result of the larger plant network.

The acquisition has been accounted for as a business combination and its results of operations have been included in the company's consolidated statements of earnings and cash flows from the date of acquisition. In total, pretax charges of $216 million have been incurred for transaction costs associated with the acquisition, which, in accordance with current accounting guidance, were expensed as incurred. The transaction costs are included in the business consolidation and other activities line of the consolidated statement of earnings.

In connection with the acquisition, Ball assumed Rexam debt of approximately $2.8 billion of which approximately $2.7 billion was extinguished during July and August 2016. The proceeds from the sale of the Divestment Business were partially used to extinguish the assumed Rexam debt.

The valuation by management of certain assets and liabilities is still in process and, therefore, these fair values are preliminary in nature and are subject to adjustment as additional information is obtained about the facts and circumstances that existed as of the acquisition date. The final determination of the fair values will be completed within the measurement period of up to one year from the acquisition date as permitted under U.S. GAAP and any adjustments to provisional amounts that are identified during the measurement period will be recorded in the reporting period in which the adjustment is determined. The size and complexity of the acquisition of Rexam could necessitate the need to use the full one year measurement period to adequately analyze and assess a number of the factors used in establishing the asset and liability fair values as of the acquisition date including contractual and operational factors underlying the intangible assets. Any potential adjustments made could be material in relation to the preliminary values presented in the table below.

The company adjusted the preliminary allocation of the purchase price for the Rexam acquisition during the three months ended March 31, 2017. These adjustments, none of which were material, have been reflected in the preliminary allocations of the purchase price. The impacts of all adjustments have been reflected in the unaudited condensed consolidated financial statements as of and for the quarter ended March 31, 2017. The primary areas of the purchase price allocation that are not yet finalized relate to fixed assets and operating leases, income and non-income taxes, the valuation of intangible assets acquired and residual goodwill. The preliminary amounts assigned to intangible assets by

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type for the Rexam acquisition were based on the company's valuation model and historical experiences with entities with similar business characteristics. The preliminary amounts are summarized in the table below:

($ in millions)		June 30, 2016
Cash	$	450
Receivables, net		775
Inventories, net		792
Other current assets		164
Assets held for sale (sold to Ardagh on June 30, 2016)		913
Total current assets		3,094
Property, plant and equipment		2,296
Goodwill		3,799
Intangible assets		1,888
Restricted cash		174
Other assets		439
Total assets acquired		11,690
Short-term debt and current portion of long-term debt		2,792
Accounts payable		870
Accrued employee costs		135
Liabilities held for sale (sold to Ardagh on June 30, 2016)		7
Other current liabilities		377
Total current liabilities		4,181
Long-term debt		28
Employee benefit obligations		508
Deferred taxes and other liabilities		723
Total liabilities assumed		5,440
Net assets acquired		6,250
Noncontrolling interests		(90)
Aggregate value of consideration paid	$	6,160

The following table details the identifiable intangible assets acquired, their preliminary fair values and estimated useful lives:

($ in millions)		Fair Value	Weighted-Average Estimated Useful Life (in Years)
Customer relationships	$	1,840	15
Trademarks		40	5
Technology		8	9
	$	1,888	

Because the acquisition of Rexam was a stock purchase, neither the goodwill nor the intangible assets acquired are deductible under local country corporate tax laws but will generally be deductible in computing earnings and profits for U.S. tax purposes.

The following unaudited pro forma consolidated results of operations (pro forma information) have been prepared as if the acquisition of Rexam and the sale of the Divestment Business had occurred as of January 1, 2015. The pro forma

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information combines the historical results of Ball and Rexam. The pro forma results are not necessarily indicative of the actual results that would have occurred had the acquisition been in effect for the periods presented, nor are they necessarily indicative of the results that may be obtained in the future.

($ in millions, except per share amounts)		Three Months Ended March 31, 2016
Net sales (1)	$	2,418
Net earnings attributable to Ball Corporation (2)		22
Basic earnings per share		0.13
Diluted earnings per share		0.12

(1)Net sales were adjusted to include net sales of Rexam. The company also excluded the net sales attributable to the Divestment Business.
(2) Pro forma adjustments to net earnings attributable to Ball Corporation were adjusted as follows:
- Excludes acquisition-related transaction costs and debt refinancing costs incurred in the three months ended March 31, 2016.
- Includes interest expense associated with the new debt utilized to finance the acquisition.
- Includes depreciation and amortization expense based on the increased fair value of property, plant and equipment and amortizable intangible assets acquired.
- Excludes net earnings attributable to the Divestment Business for the three months ended March 31, 2016.

All of these pro forma adjustments were adjusted for the applicable income tax impacts. Ball has applied enacted statutory tax rates in the U.K. for the period. Ball has used a tax rate of 20.0 percent to calculate the financing and acquisition adjustments for the three months ended March 31, 2016. However, the tax impact on acquisition-related transaction costs already incurred were recorded at a U.S. statutory rate of approximately 37 percent as these transaction costs were incurred in the U.S. These rates may not be reflective of Ball's effective tax rate for future periods after consummation of the acquisition and sale of the Divestment Business.

Currency Exchange Rate and Interest Rate Risks

The company entered into collar and option contracts to partially mitigate its currency exchange rate risk associated with the British pound denominated cash portion of the purchase price from February 19, 2015, through the closing date of the Rexam acquisition. The company entered into interest rate swaps to hedge against rising U.S. and European interest rates to minimize its interest rate exposure associated with anticipated debt issuances in connection with the acquisition of Rexam. These contracts were not designated as hedges for accounting purposes, and therefore, changes in the fair value of these contracts were recorded in the consolidated statements of earnings in business consolidation and other activities, as well as in debt refinancing and other costs, a component of total interest expense.

Food and Aerosol Paint and General Line Plant

In March 2017, the company sold its paint and general line can manufacturing facility in Hubbard, Ohio, for approximately $32 million in cash and recorded a $15 million gain on the sale.

Wavefront Technologies (Wavefront)

In January 2016, the company acquired Wavefront located in Annapolis Junction, Maryland, for total cash consideration of $36 million, net of cash acquired. Wavefront provides systems and network engineering, software development software and analytical services for cyber and mission-focused programs to the U.S. government and commercial industry. The financial results of Wavefront have been included in our aerospace segment from the date of acquisition. The acquisition is not material to the company.

Food and Aerosol Specialty Tin Business

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In October 2016, the company sold its specialty tin manufacturing facility in Baltimore, Maryland, for approximately $24 million in cash and recorded a $9 million gain on the sale.

5. Business Consolidation and Other Activities

The following is a summary of business consolidation and other activity (charges)/income included in the unaudited condensed consolidated statements of earnings:

	Three Months Ended March 31,	
($ in millions)	**2017**	**2016**
Beverage packaging, North and Central America	$ (4)	$ (3)
Beverage packaging, South America	3	—
Beverage packaging, Europe	(3)	(4)
Food and aerosol packaging	10	(14)
Other	(61)	(246)
	$ (55)	$ (267)

2017

Beverage Packaging, North and Central America

During the three months ended March 31, 2017, the company recorded charges of $3 million for employee severance and accelerated depreciation related to the closure of our Reidsville, North Carolina, plant.

Other charges in the three months ended March 31, 2017, included $1 million of individually insignificant activities.

Beverage Packaging, South America

Income in the three months ended March 31, 2017, included $3 million of individually insignificant activities.

Beverage Packaging, Europe

During the three months ended March 31, 2017, the company recorded charges of $2 million for professional services and other costs associated with the acquisition of Rexam.

Other charges in the three months ended March 31, 2017, included $1 million of individually insignificant activities.

Food and Aerosol Packaging

During the three months ended March 31, 2017, the company recorded charges of $3 million for facility shutdown costs and accelerated depreciation for the closure of our Weirton, West Virginia, plant which ceased production during the first quarter of 2017.

During the first quarter of 2017, the company sold its food and aerosol packaging paint and general line can plant in Hubbard, Ohio, and recorded a gain on sale of $15 million.

Other charges in the three months ended March 31, 2017, included $2 million of individually insignificant activities.

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Other

During the three months ended March 31, 2017, the company recorded the following amounts:

- Expense of $27 million for indemnifications of uncertain tax positions associated with the sale of the Divestment Business.
- A $14 million reduction in the gain recognized in connection with the sale of the Ball portion of the Divestment Business.
- Expense of $9 million for long term incentive and other compensation arrangements associated with the Rexam acquisition.
- Expense of $5 million for professional services and other costs associated with the acquisition of Rexam.
- Expense of $6 million for individually insignificant activities.

2016

Beverage Packaging, North and Central America

Charges in the three months ended March 31, 2016, included $3 million of individually insignificant activities

Beverage Packaging, Europe

During the three months ended March 31, 2016, the company recorded charges of $4 million for professional services and other costs associated with the acquisition of Rexam.

Food and Aerosol Packaging

During the three months ended March 31, 2016, the company recorded charges of $9 million for employee severance and benefits, facility shutdown costs, and asset impairment and disposal costs for the closure of our Weirton, West Virginia, plant.

Other charges in the three months ended March 31, 2016, included $5 million of individually insignificant activities.

Other

During the three months ended March 31, 2016, the company recorded the following charges:

- Expense of $24 million for professional services and other costs associated with the acquisition of Rexam.
- Losses of $88 million associated with the collar, swap, and option contracts entered into to reduce its exposure to currency exchange rate changes in connection with the British pound denominated cash portion of the purchase price for the acquisition of Rexam.
- Foreign currency losses of $96 million from the revaluation of foreign currency denominated restricted cash and intercompany loans related to the cash component of the Rexam acquisition purchase price, the sale of the Divestment Business and the revaluation of the euro-denominated debt issuance obtained in December 2015.
- An unrealized loss of $36 million on the fair value of cross-currency swaps entered into in connection with the December 2015 issuance of the $1 billion senior notes due 2020.
- Expense of $2 million for individually insignificant activities.

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6. Receivables

($ in millions)	March 31, 2017	December 31, 2016
Trade accounts receivable	$ 1,365	$ 1,169
Less allowance for doubtful accounts	(11)	(11)
Net trade accounts receivable	1,354	1,158
Other receivables	341	333
	$ 1,695	$ 1,491

The company has entered into several regional committed and uncommitted accounts receivable factoring programs with various financial institutions for certain receivables of the company. The programs are accounted for as true sales of the receivables, without recourse to Ball, and had combined limits of approximately $865 million at March 31, 2017. A total of $542 million and $596 million were sold under these programs as of March 31, 2017, and December 31, 2016, respectively.

7. Inventories

($ in millions)	March 31, 2017	December 31, 2016
Raw materials and supplies	$ 653	$ 607
Work-in-process and finished goods	930	839
Less inventory reserves	(29)	(33)
	$ 1,554	$ 1,413

8. Property, Plant and Equipment

($ in millions)	March 31, 2017	December 31, 2016
Land	$ 101	$ 105
Buildings	1,313	1,301
Machinery and equipment	4,872	4,723
Construction-in-progress	454	503
	6,740	6,632
Accumulated depreciation	(2,337)	(2,245)
	$ 4,403	$ 4,387

Property, plant and equipment are stated at historical or acquired cost. Depreciation expense amounted to $107 million and $65 million for the three months ended March 31, 2017 and 2016, respectively.

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9. Goodwill

($ in millions)	Beverage Packaging, North & Central America	Beverage Packaging, South America	Beverage Packaging, Europe	Food & Aerosol Packaging	Aerospace	Other	Total
Balance at December 31, 2016	$ 1,614	$ 970	$ 1,632	$ 599	$ 40	$ 240	$ 5,095
Opening balance sheet adjustments	18	4	—	—	—	—	22
Business dispositions	—	—	—	(9)	—	—	(9)
Effects of currency exchange rates	—	—	40	2	—	2	44
Balance at March 31, 2017	$ 1,632	$ 974	$ 1,672	$ 592	$ 40	$ 242	$ 5,152

The company's annual goodwill impairment test completed in the fourth quarter of 2016 indicated the fair value of the beverage packaging, Asia (Beverage Asia), reporting unit exceeded its carrying amount by approximately 23 percent. The current supply of metal beverage packaging exceeds demand in China, resulting in pricing pressure and negative impacts on the profitability of our Beverage Asia reporting unit. If it becomes an expectation that this oversupply situation will continue for an extended period of time, the company may be required to record a noncash impairment charge for some or all of the goodwill associated with the Beverage Asia reporting unit, the total balance of which was $78 million at March 31, 2017.

10. Intangible Assets, net

($ in millions)	March 31, 2017	December 31, 2016
Acquired Rexam intangibles (net of accumulated amortization of $96 million at March 31, 2017, and $62 million at December 31, 2016)	$ 1,752	$ 1,766
Capitalized software (net of accumulated amortization of $92 million at March 31, 2017, and $87 million at December 31, 2016)	77	79
Other intangibles (net of accumulated amortization of $149 million at March 31, 2017, and $143 million at December 31, 2016)	88	89
	$ 1,917	$ 1,934

Total amortization expense of intangible assets amounted to $41 million and $10 million for the three months ended March 31, 2017 and 2016, respectively,

11. Other Assets

($ in millions)	March 31, 2017	December 31, 2016
Long-term deferred tax assets	$ 575	$ 443
Long-term pension asset	154	147
Investments in affiliates	213	204
Company and trust-owned life insurance	156	146
Other	167	164
	$ 1,265	$ 1,104

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12. Debt and Interest Costs

Long-term debt consisted of the following:

($ in millions)	March 31, 2017	December 31, 2016
Senior Notes		
5.25% due July 2025	$ 1,000	$ 1,000
4.375% due December 2020	1,000	1,000
4.00% due November 2023	1,000	1,000
4.375%, euro denominated, due December 2023	746	736
5.00% due March 2022	750	750
3.50%, euro denominated, due December 2020	426	421
Senior Credit Facilities, due March 2021 (at variable rates)		
Term A loan, due June 2021	1,365	1,383
Term A loan, euro denominated, due June 2021	967	954
Multi-currency USD revolver, due March 2021	345	190
Other (including debt issuance costs)	(44)	(45)
	7,555	7,389
Less: Current portion of long-term debt	(79)	(79)
	$ 7,476	$ 7,310

Following is a summary of debt refinancing and other costs included in the unaudited condensed consolidated statements of earnings:

($ in millions)	Three Months Ended March 31, 2017	2016
Debt Refinancing and Other Costs:		
Interest expense on 3.5% and 4.375% senior notes	$ —	$ (25)
Economic hedge - interest rate risk	—	(16)
Refinance of bridge and revolving credit facilities	—	(13)
Amortization of unsecured, committed bridge facility financing fees	—	(7)
	$ —	$ (61)

The senior credit facilities include long-term, multi-currency committed revolving credit facilities that provide the company with up to the U.S. dollar equivalent of $1.5 billion. At March 31, 2017, taking into account outstanding letters of credit, approximately $1.1 billion was available under these long-term, revolving credit facilities. In addition to these facilities, the company had approximately $902 million of short-term uncommitted credit facilities available at March 31, 2017, of which $418 million was outstanding and due on demand. At December 31, 2016, the company had $143 million outstanding under short-term uncommitted credit facilities.

The fair value of long-term debt was estimated to be $7.8 billion at March 31, 2017, which approximated the carrying value of $7.5 billion. The fair value was estimated to be $7.7 billion at December 31, 2016, which approximated the carrying value of $7.4 billion. The fair value reflects the market rates at each period end for debt with credit ratings similar to the company's ratings and is classified as Level 2 within the fair value hierarchy. Rates currently available to the company for loans with similar terms and maturities are used to estimate the fair value of long-term debt based on discounted cash flows.

Ball provides letters of credit in the ordinary course of business to secure liabilities recorded in connection with certain self-insurance arrangements. Letters of credit outstanding were $32 million at both March 31, 2017 and December 31, 2016, respectively.

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The company's senior notes and senior credit facilities are guaranteed on a full, unconditional and joint and several basis by certain of the company's material subsidiaries. Each of the guarantor subsidiaries is 100 percent owned by Ball Corporation. These guarantees are required in support of these notes and credit facilities, are co-terminous with the terms of the respective note indentures and would require performance upon certain events of default referred to in the respective guarantees. Note 19 includes further details about the company's debt guarantees and Note 20 contains further details, as well as required condensed consolidating financial information for the company, segregating the guarantor subsidiaries and non-guarantor subsidiaries as defined in the debt agreements.

The U.S. note agreements and bank credit agreement contain certain restrictions relating to dividend payments, share repurchases, investments, financial ratios, guarantees and the incurrence of additional indebtedness. The most restrictive of the company's debt covenants require the company to maintain a leverage ratio (as defined) of no greater than 5 times at March 31, 2017, which changes to 4 times at December 31, 2017.

The company was in compliance with all loan agreements and debt covenants at March 31, 2017 and December 31, 2016, and has met all debt payment obligations.

13. Employee Benefit Obligations

($ in millions)	March 31, 2017	December 31, 2016
Underfunded defined benefit pension liabilities	$ 969	$ 963
Less current portion	(21)	(25)
Long-term defined benefit pension liabilities	948	938
Retiree medical and other postemployment benefits	219	226
Deferred compensation plans	261	272
Other	59	61
	$ 1,487	$ 1,497

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

	Three Months Ended March 31,					
	2017			2016		
($ in millions)	U.S.	Foreign	Total	U.S.	Foreign	Total
Ball-sponsored plans:						
Service cost	$ 12	$ 4	$ 16	$ 12	$ 3	$ 15
Interest cost	33	22	55	15	5	20
Expected return on plan assets	(33)	(26)	(59)	(18)	(5)	(23)
Recognized net actuarial loss	9	1	10	8	1	9
Net periodic benefit cost for Ball sponsored plans	21	1	22	17	4	21
Net periodic benefit cost for multi-employer plans	1	—	1	—	—	—
Total net periodic benefit cost	$ 22	$ 1	$ 23	$ 17	$ 4	$ 21

Contributions to the company's defined benefit pension plans, not including unfunded German, Swedish and certain U.S. plans, were $8 million in the first three months of 2017 compared to $20 million in the first three months of 2016, and are expected to be in the range of $190 million for the full year of 2017. This estimate may change based on any changes to the U.S. Pension Protection Act and actual plan asset performance, among other factors. Included in the contributions during the first three months of 2017 were contributions to acquired Rexam defined benefit pension plans. Payments to participants in the unfunded German, Swedish and certain U.S. plans were $6 million in the first three months of 2017 and are expected to be approximately $20 million for the full year of 2017.

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14. Shareholders' Equity and Comprehensive Earnings

Accumulated Other Comprehensive Earnings (Loss)

The activity related to accumulated other comprehensive earnings (loss) was as follows:

($ in millions)	Foreign Currency Translation (Net of Tax)	Pension and Other Postretirement Benefits (Net of Tax)	Effective Derivatives (Net of Tax)	Accumulated Other Comprehensive Earnings (Loss)
Balance at December 31, 2016	$ (329)	$ (590)	$ (22)	$ (941)
Other comprehensive earnings (loss) before reclassifications	69	(4)	33	98
Amounts reclassified from accumulated other comprehensive earnings (loss)	—	6	24	30
Balance at March 31, 2017	$ (260)	$ (588)	$ 35	$ (813)

The following table provides additional details of the amounts recognized into net earnings from accumulated other comprehensive earnings (loss):

($ in millions)	Three Months Ended March 31, 2017	2016
Gains (losses) on cash flow hedges:		
Commodity contracts recorded in net sales	$ (3)	$ 3
Commodity contracts recorded in cost of sales	8	(7)
Currency exchange contracts recorded in business consolidation and other activities	3	(1)
Cross currency swaps recorded in selling, general and administrative	(17)	—
Total before tax effect	(9)	(5)
Tax benefit (expense) on amounts reclassified into earnings	(15)	1
Recognized gain (loss)	$ (24)	$ (4)
Amortization of pension and other postretirement benefits *(a)*:		
Prior service income (expense)	$ —	$ 1
Actuarial gains (losses)	(9)	(9)
Total before tax effect	(9)	(8)
Tax benefit (expense) on amounts reclassified into earnings	3	3
Recognized gain (loss)	$ (6)	$ (5)

(a) The pension components are included in the computation of net periodic benefit cost included in Note 13.

15. Stock-Based Compensation Programs

The company has shareholder-approved stock plans under which options and stock-settled appreciation rights (SSARs) have been granted to employees at the market value of the company's stock at the date of grant. In general, options and SSARs are exercisable in four equal installments commencing one year from the date of grant and terminating 10 years from the date of grant. There were 544,724 stock options and SSARs granted in January 2017. These options and SSARs cannot be traded in any equity market. However, based on the Black-Scholes option pricing model, options and SSARs granted in January 2017, July 2016 and January 2016 have estimated weighted average fair values at the date of grant of $17.08 per share, $16.71 per share and $18.58 per share, respectively. The actual value an employee may realize will depend on the excess of the stock price over the exercise price on the date the option or SSAR is exercised.

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Consequently, there is no assurance the value realized by an employee will approximate the value estimated. The fair values were estimated using the following weighted average assumptions:

	January 2017	July 2016	January 2016
Expected dividend yield	0.68 %	0.73 %	0.79 %
Expected stock price volatility	20.49 %	24.14 %	29.25 %
Risk-free interest rate	2.07 %	1.22 %	1.57 %
Expected life of options (in years)	5.94 years	6.10 years	5.94 years

In the first quarters of 2017 and 2016, the company's board of directors granted 118,726 and 118,755 performance-contingent restricted stock units (PCEQs), respectively, to key employees. These PCEQs vest three years from the date of grant, and the number of shares available at the vesting date is based on the company's growth in economic value added (EVA®) dollars in excess of the EVA® dollars generated in the calendar year prior to the grant as the minimum threshold, and can range from zero to 200 percent of each participant's assigned PCEQ award. If the minimum performance goals are not met, the PCEQ will be forfeited. Grants under the plan are being accounted for as equity awards and compensation expense is recorded based upon the most probable outcome using the closing market price of the shares at the grant date. On a quarterly and annual basis, the company reassesses the probability of the goals being met and adjusts compensation expense as appropriate.

Also in the first quarter of 2017 the company's board of directors granted 558,986 performance-contingent restricted stock units to employees related to the Special Acquisition-Related Incentive Plan. The number of shares issued at the vesting date in January 2020 will be based on the company's achievement of cumulative Economic Value Added (EVA®) and Cash Flow performance goals through the vesting date and can range from zero to 200 percent of each participant's assigned award. If the minimum performance goals are not met, the awards will be forfeited. Grants under the plan are being accounted for as equity awards and compensation expense is recorded based upon the most probable outcome using the closing market price of the shares at the grant date. On a quarterly basis, the company will reassess the probability of the goals being met and adjust compensation expense as appropriate.

16. Earnings and Dividends Per Share

($ in millions, except per share amounts; shares in thousands)	Three Months Ended March 31, 2017	2016
Net earnings attributable to Ball Corporation	$ 68	$ (127)
Basic weighted average common shares	175,024	141,793
Effect of dilutive securities	3,943	—
Weighted average shares applicable to diluted earnings per share	178,967	141,793
Per basic share	$ 0.39	$ (0.90)
Per diluted share	$ 0.38	$ (0.90)

The company reported a net loss in the first three months of 2016 and, as a result, all potentially issuable securities were excluded in the diluted earnings per share calculation as their effect would have been anti-dilutive. Had these securities been included, weighted average shares applicable to diluted earnings per share would have been 145,100. In the first three months of 2017, approximately 2 million outstanding options were excluded from the diluted earnings per share calculation because they were anti-dilutive (i.e., the sum of the assumed exercise proceeds and the unrecognized compensation exceeded the average closing stock price for the period).

The company declared and paid dividends of $0.13 per share in the first quarter of both 2017 and 2016.

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Subsequent Event

On April 26, 2017, the company's board of directors declared a two-for-one split of Ball Corporation's common stock and increased the quarterly cash dividend by 54 percent to 10 cents on a post-split basis. The stock split will be effective May 16, 2017, for shareholders of record on May 8, 2017. Below are pro forma weighted average shares and earnings per share as if the effective date had been January 1, 2016.

($ in millions, except per share amounts; shares in thousands)	Three Months Ended March 31, 2017	2016
Net earnings attributable to Ball Corporation	$ 68	$ (127)
Basic weighted average common shares	350,048	283,586
Effect of dilutive securities	7,886	—
Weighted average shares applicable to diluted earnings per share	357,934	283,586
Per basic share	$ 0.19	$ (0.45)
Per diluted share	$ 0.19	$ (0.45)

17. Financial Instruments and Risk Management

The company employs established risk management policies and procedures, which seek to reduce the company's commercial risk exposure to fluctuations in commodity prices, interest rates, currency exchange rates and prices of the company's common stock with regard to common share repurchases and the company's deferred compensation stock plan. However, there can be no assurance these policies and procedures will be successful. Although the instruments utilized involve varying degrees of credit, market and interest risk, the counterparties to the agreements are expected to perform fully under the terms of the agreements. The company monitors counterparty credit risk, including lenders, on a regular basis, but Ball cannot be certain that all risks will be discerned or that its risk management policies and procedures will always be effective. Additionally, in the event of default under the company's master derivative agreements, the non-defaulting party has the option to offset any amounts owed with regard to open derivative positions.

Commodity Price Risk

Aluminum

The company manages commodity price risk in connection with market price fluctuations of aluminum ingot through two different methods. First, the company enters into container sales contracts that include aluminum ingot-based pricing terms that generally reflect the same price fluctuations under commercial purchase contracts for aluminum sheet. The terms include fixed, floating or pass-through aluminum ingot component pricing. Second, the company uses certain derivative instruments such as option and forward contracts as economic and cash flow hedges of commodity price risk where there are material differences between sales and purchase contracted pricing and volume.

At March 31, 2017, the company had aluminum contracts limiting its aluminum exposure with notional amounts of approximately $748 million, of which approximately $680 million received hedge accounting treatment. The aluminum contracts, which are recorded at fair value, include economic derivative instruments that are undesignated, as well as cash flow hedges that offset sales and purchase contracts of various terms and lengths. Cash flow hedges relate to forecasted transactions that will occur within the next three years. Included in shareholders' equity at March 31, 2017, within accumulated other comprehensive earnings (loss), is a net after-tax gain of $51 million associated with these contracts. A net after-tax gain of $36 million is expected to be recognized in the consolidated statement of earnings during the next 12 months, the majority of which will be offset by pricing changes in sales and purchase contracts, thus resulting in little or no earnings impact to Ball.

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Steel

Most sales contracts involving our steel products either include provisions permitting the company to pass through some or all steel cost changes incurred, or they incorporate annually negotiated steel prices.

Interest Rate Risk

The company's objective in managing exposure to interest rate changes is to minimize the impact of interest rate changes on earnings and cash flows and to lower our overall borrowing costs. To achieve these objectives, the company may use a variety of interest rate swaps, collars and options to manage our mix of floating and fixed-rate debt. Interest rate instruments held by the company at March 31, 2017, included pay-fixed interest rate swaps with notional amounts of approximately $500 million, which effectively convert variable rate obligations to fixed-rate instruments. There was no after-tax gain included in shareholders' equity at March 31, 2017, within accumulated other comprehensive earnings (loss). The contracts outstanding at March 31, 2017, expire within the next twelve months.

Currency Exchange Rate Risk

The company's objective in managing exposure to currency fluctuations is to limit the exposure of cash flows and earnings from changes associated with currency exchange rate changes through the use of various derivative contracts. In addition, at times the company manages earnings translation volatility through the use of currency option strategies, and the change in the fair value of those options is recorded in the company's net earnings. The company's currency translation risk results from the currencies in which we transact business. The company faces currency exposures in our global operations as a result of various factors including intercompany currency denominated loans, selling our products in various currencies, purchasing raw materials and equipment in various currencies and tax exposures not denominated in the functional currency. Sales contracts are negotiated with customers to reflect cost changes and, where there is not an exchange pass-through arrangement, the company uses forward and option contracts to manage currency exposures. At March 31, 2017, the company had outstanding exchange rate forward contracts and option contracts with notional amounts totaling approximately $1.4 billion. Approximately $2 million of net after-tax loss related to these contracts is included in accumulated other comprehensive earnings at March 31, 2017, of which a net gain of less than $1 million is expected to be recognized in the unaudited condensed consolidated statement of earnings during the next 12 months. The contracts outstanding at March 31, 2017, expire within the next two years.

Additionally, the company entered into a $1 billion cross-currency swap contract to partially mitigate the risk associated with foreign currency denominated intercompany debt incurred in the second quarter of 2016. Approximately, $13 million of net after-tax loss related to this contract is included in accumulated other comprehensive earnings at March 31, 2017, none of which is expected to be recognized in the unaudited condensed consolidated statement of earnings during the next 12 months. As of March 31, 2017, the fair value of the cross-currency swap was a $27 million gain. The contract expires in December 2020.

Common Stock Price Risk

The company's deferred compensation stock program is subject to variable plan accounting and, accordingly, is marked to fair value using the company's closing stock price at the end of the related reporting period. The company entered into total return swaps to reduce the company's earnings exposure to these fair value fluctuations that will be outstanding until March 2018 and August 2017 and that have a combined notional value of 1.3 million shares. Based on the current number of shares in the program, each $1 change in the company's stock price has an insignificant impact on pretax earnings, net of the impact of related derivatives. As of March 31, 2017, the fair value of the swap was a $1 million loss.

Collateral Calls

The company's agreements with its financial counterparties require the company to post collateral in certain circumstances when the negative mark to fair value of the derivative contracts exceeds specified levels. Additionally, the company has collateral posting arrangements with certain customers on these derivative contracts. The cash flows of the margin calls are shown within the investing section of the company's consolidated statements of cash flows. As of

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March 31, 2017, and December 31, 2016, the aggregate fair value of all derivative instruments with credit-risk-related contingent features that were in a net liability position were $27 million and $44 million, respectively, and no collateral was required to be posted.

Fair Value Measurements

The company has classified all applicable financial derivative assets and liabilities as Level 2 within the fair value hierarchy as of March 31, 2017, and December 31, 2016, and presented those values in the tables below. The company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

	March 31, 2017			December 31, 2016		
($ in millions)	Derivatives Designated as Hedging Instruments	Derivatives not Designated as Hedging Instruments	Total	Derivatives Designated as Hedging Instruments	Derivatives not Designated as Hedging Instruments	Total
Assets:						
Commodity contracts	$ 63	$ 3	$ 66	$ 17	$ 1	$ 18
Foreign currency contracts	—	21	21	1	—	1
Interest rate and other contracts	—	—	—	—	21	21
Total current derivative contracts	$ 63	$ 24	$ 87	$ 18	$ 22	$ 40
Commodity contracts	$ 15	$ —	$ 15	$ 7	$ —	$ 7
Foreign currency contracts	1	—	1	—	—	—
Interest rate and other contracts	27	—	27	39	—	39
Total noncurrent derivative contracts	$ 43	$ —	$ 43	$ 46	$ —	$ 46
Liabilities:						
Commodity contracts	$ 14	$ 1	$ 15	$ 3	$ —	$ 3
Foreign currency contracts	—	5	5	—	22	22
Interest rate and other contracts	—	1	1	—	—	—
Total current derivative contracts	$ 14	$ 7	$ 21	$ 3	$ 22	$ 25

The company uses closing spot and forward market prices as published by the London Metal Exchange, the Chicago Mercantile Exchange, Reuters and Bloomberg to determine the fair value of any outstanding aluminum, currency, energy, inflation and interest rate spot and forward contracts. Option contracts are valued using a Black-Scholes model with observable market inputs for aluminum, currency and interest rates. We value each of our financial instruments either internally using a single valuation technique or from a reliable observable market source. The company does not adjust the value of its financial instruments except in determining the fair value of a trade that settles in the future by discounting the value to its present value using 12-month LIBOR as the discount factor. Ball performs validations of our internally derived fair values reported for our financial instruments on a quarterly basis utilizing counterparty valuation statements. Additionally, the company evaluates counterparty creditworthiness and, as of March 31, 2017, has not identified any circumstances requiring the reported values of our financial instruments be adjusted.

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The following table provides the effects of derivative instruments in the consolidated statement of earnings and on accumulated other comprehensive earnings (loss):

		Three Months Ended March 31,			
		2017		2016	
($ in millions)	Location of Gain (Loss) Recognized in Earnings on Derivatives	Cash Flow Hedge - Reclassified Amount from Accumulated Other Comprehensive Earnings (Loss)	Gain (Loss) on Derivatives not Designated as Hedge Instruments	Cash Flow Hedge - Reclassified Amount from Accumulated Other Comprehensive Earnings (Loss)	Gain (Loss) on Derivatives not Designated as Hedge Instruments
Commodity contracts - *manage exposure to customer pricing*	Net sales	$ (3)	$ —	$ 3	$ —
Commodity contracts - *manage exposure to supplier pricing*	Cost of sales	8	—	(7)	—
Interest rate contracts - *manage exposure for forecasted Rexam financing*	Debt refinancing and other costs	—	—	—	(16)
Foreign currency contracts - *manage general exposure with the business*	Selling, general and administrative	—	(15)	(1)	—
Foreign currency contracts - *manage exposure for acquisition of Rexam*	Business consolidation and other activities	3	—	—	(88)
Cross-currency swaps - *manage exposure for acquisition of Rexam*	Business consolidation and other activities	—	—	—	(36)
Cross-currency swaps - *manage intercompany currency exposure within the business*	Selling, general and administrative	(17)	—	—	—
Equity contracts	Selling, general and administrative	—	(2)	—	(2)
Total		$ (9)	$ (17)	$ (5)	$ (142)

The changes in accumulated other comprehensive earnings (loss) for effective derivatives were as follows:

	Three Months Ended March 31,	
($ in millions)	2017	2016
Amounts reclassified into earnings:		
Commodity contracts	$ (5)	$ 4
Cross currency swap contracts	17	—
Currency exchange contracts	(3)	1
Change in fair value of cash flow hedges:		
Commodity contracts	51	(6)
Interest rate contracts	—	(2)
Cross currency swap contracts	(12)	—
Currency exchange contracts	3	3
Foreign currency and tax impacts	6	—
	$ 57	$ —

18. Contingencies

Ball is subject to numerous lawsuits, claims or proceedings arising out of the ordinary course of business, including actions related to product liability; personal injury; the use and performance of company products; warranty matters; patent, trademark or other intellectual property infringement; contractual liability; the conduct of the company's business; tax reporting in domestic and foreign jurisdictions; workplace safety; and environmental and other matters. The company has also been identified as a potentially responsible party (PRP) at several waste disposal sites under U.S. federal and related state environmental statutes and regulations and may have joint and several liability for any investigation and remediation costs incurred with respect to such sites. In addition, we have received claims alleging that employees in certain plants have suffered damages due to exposure to alleged workplace hazards. Some of these lawsuits, claims and proceedings involve substantial amounts, including as described below, and some of the environmental proceedings involve potential monetary costs or sanctions that may be material. Ball has denied liability with respect to many of these lawsuits, claims and proceedings and is vigorously defending such lawsuits, claims and proceedings. The company carries various forms of commercial, property and casualty, and other forms of insurance; however, such insurance may not be applicable or adequate to cover the costs associated with a judgment against Ball with respect to these lawsuits, claims and proceedings. The company estimates that potential liabilities for all currently known and estimable environmental matters are approximately $45 million in the aggregate and have been included in other current liabilities and other noncurrent liabilities at March 31, 2017.

As previously reported, the U.S. Environmental Protection Agency (USEPA) considers the company a PRP with respect to the Lowry Landfill site located east of Denver, Colorado. In 1992, the company was served with a lawsuit filed by the City and County of Denver (Denver) and Waste Management of Colorado, Inc., seeking contributions from the company and approximately 38 other companies. The company filed its answer denying the allegations of the complaint. Subsequently in 1992, the company was served with a third-party complaint filed by S.W. Shattuck Chemical Company, Inc., seeking contribution from the company and other companies for the costs associated with cleaning up the Lowry Landfill. The company denied the allegations of the complaint.

Also in 1992, Ball entered into a settlement and indemnification agreement with Chemical Waste Management, Inc., and Waste Management of Colorado, Inc. (collectively Waste Management) and Denver pursuant to which Waste Management and Denver dismissed their lawsuit against the company, and Waste Management agreed to defend, indemnify and hold harmless the company from claims and lawsuits brought by governmental agencies and other parties relating to actions seeking contributions or remedial costs from the company for the cleanup of the site. Waste Management, Inc., has agreed to guarantee the obligations of Waste Management. Waste Management and Denver may seek additional payments from the company if the response costs related to the site exceed $319 million. In 2003 Waste Management, Inc., indicated that the cost of the site might exceed $319 million in 2030, approximately three years before the projected completion of the project. In January 2015, Waste Management reported that total project costs to date were approximately $140 million. The company might also be responsible for payments (based on 1992 dollars) for any additional wastes that may have been disposed of by the company at the site but which are identified after the execution of the settlement agreement. While remediating the site, contaminants were encountered, which could add an additional cleanup cost of approximately $10 million. This additional cleanup cost could, in turn, add approximately $1 million to total site costs for the PRP group. At this time, there are no Lowry Landfill actions in which the company is actively involved. Based on the information available to the company at this time, we do not believe that this matter will have a material adverse effect upon the liquidity, results of operations or financial condition of the company.

In November 2012, the USEPA wrote to the company asserting that it is one of at least 50 PRPs with respect to the Lower Duwamish site located in Seattle, Washington, based on the company's ownership of a glass container plant prior to 1995, and notifying the company of a proposed remediation action plan. An allocator has been selected to begin data review on over 30 industrial companies and government entities and at least two PRP groups have begun to discuss various allocation proposals, and this process may last approximately one more year. During the third quarter of 2014, the PRP groups voted to include 20 new members. The USEPA issued the site Record of Decision (ROD) on December 2, 2014. Ball submitted its initial responses to the allocator's questionnaire in March 2015, and after reviewing submissions from the PRPs alleging deficiencies in certain of Ball's responses, the allocator denied certain of the allegations and directed the company to answer others, to which Ball responded during the fourth quarter of 2016. A group of de minimis PRPs, including Ball, have retained a technical consultant to assist with their positions vis-à-vis larger PRPs. Total site remediation costs of $342 million, to cover remediation of approximately 200 acres of river bottom, are expected according to the proposed remediation action plan, which does not include $100 million that has already been spent, and which will be allocated among the numerous PRPs in due course. Based on the information available to the company at this time, we do not believe that this matter will have a material adverse effect upon the liquidity, results of operations or financial condition of the company.

In February 2012, Ball Metal Beverage Container Corp. (BMBCC) filed an action against Crown Packaging Technology, Inc. (Crown) in the U.S. District Court for the Southern District of Ohio seeking a declaratory judgment that the sale and use of certain ends by BMBCC and its customers do not infringe certain claims of Crown's U.S. patents. Crown subsequently filed a counterclaim alleging infringement of certain claims in these patents seeking unspecified monetary damages, fees and declaratory and injunctive relief. The District Court issued a claim construction

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order at the end of December 2015 and held a scheduling conference on February 10, 2016, to determine the timeline for future steps in the litigation. The case was stayed by mutual agreement of the parties into the third quarter of 2016, during which Crown made preparations for its discovery with respect to certain ends previously produced by Rexam, with such discovery expected to begin during the first half of 2017. Based on the information available to the company at the present time, the company does not believe that this matter will have a material adverse effect upon the liquidity, results of operations or financial condition of the company.

On September 16, 1971, Rexham Corporation (Rexham) was incorporated as a wholly owned subsidiary of Riegel Paper Company (Riegel). On September 23, 1971, Riegel, Federal Paper Board Company (Federal), and Rexham entered into an Agreement and Plan of Reorganization (the 1971 Agreement) pursuant to which Riegel spun-off its packaging business into the newly formed Rexham. Federal retained Riegel's paper group pursuant to a merger with Riegel. International Paper Company (International Paper) and Georgia Pacific Corporation (Georgia Pacific) are successors to Riegel. Image Products Group, LLC (IPG) is the successor to Rexham. Rexam Inc. (RI) sold IPG to Sun Coating Acquisition Corp. (Sun) in 2002 and agreed to indemnify Sun and IPG for certain environmental liabilities of Rexham.

On November 4, 2011, International Paper and Georgia Pacific filed a complaint against RI and IPG alleging that pursuant to the 1971 Agreement, IPG and RI are liable for 50 percent of the clean-up costs at the Crown Vantage Landfill (the Site). The Site is an inactive industrial landfill on the Delaware River in Hunterdon County, New Jersey that was operated by Riegel and its successors from the 1930's to the 1970's. The EPA conducted an emergency clean up at the Site after a 2004 flood exposed drums and other waste. Georgia Pacific took over the clean-up at the Site. Georgia Pacific later sued International Paper as a successor to Riegel. Georgia Pacific and International Paper entered into a settlement agreement under which International Paper accepted responsibility for the Site. The litigation against IPG and RI centers on the interpretation of the 1971 Agreement and whether it allocated the Site liabilities to the paper group of Riegel, which merged with and into Federal, a predecessor of International Paper, or to the packaging group of Riegel, which was spun off to Rexham.

Georgia Pacific and International Paper claim they have incurred past costs at the Site of approximately $14 million, and that Rexam's share of these costs is approximately $7 million. Georgia Pacific and International Paper have also asserted that they have incurred $30 million in remediation costs at the Curtis Paper Superfund site, the former paper mill adjacent to the Site. In addition, Georgia Pacific, International Paper and the EPA have claimed that Rexam is responsible for certain other non-material amounts associated with the Curtis Paper and related sites.

On October 17, 2016, representatives of Ball/Rexam and Georgia Pacific and International Paper participated in a court ordered mediation in New Jersey in an attempt to resolve this matter. No resolution was reached. Trial is scheduled for the third quarter of 2017, and we will continue to explore various ways to reach an acceptable result and otherwise mitigate the effect of the claims. Based on the information available to the company at this time, we do not believe that this matter will have a material adverse effect upon the liquidity, results of operations or financial condition of the company.

A former Rexam Personal Care site in Annecy, France was found in 2003 to be contaminated following a leak of chlorinated solvents (TCE) from an underground feedline. The site underwent extensive investigation and an active remediation treatment system was put in place during 2006. The business operating from the site was sold to Albea in 2013 and in turn to a French company CATIDOM (operating as Reboul). Reboul vacated the site in September 2014, and the site reverted back to Rexam during the first quarter of 2015. As part of the site closure regulatory requirements, a new regulatory permit (Prefectoral Order) was issued in June 2016, which includes requirements to undertake a cost-benefit analysis and pilot studies of further treatment for the known residual solvent contamination following the shutdown of the current on-site treatment system. A new management plan will be proposed to the French Environmental Authorities (DREAL) in 2017. Based on the information available to the company at this time, we do not believe that this matter will have a material adverse effect upon the liquidity, results of operations or financial condition of the company.

The company's operations in Brazil are involved in various governmental assessments, principally related to claims for taxes on the internal transfer of inventory, gross revenue taxes and indirect tax incentives. The company does not believe that the ultimate resolution of these matters will materially impact the company's results of operations, financial position or cash flows. Under customary local regulations, the company's Brazilian subsidiaries may need to post cash or other collateral if the process to challenge any administrative assessment proceeds to the Brazilian court system; however, the level of any potential cash or collateral required would not significantly impact the liquidity of those subsidiaries or Ball Corporation.

The company is continuing to evaluate various lawsuits, claims and proceedings, to which subsidiaries of Rexam are a party, including those described in this Note 18. Certain of these lawsuits, claims and proceedings, including several environmental matters and several governmental assessments in Brazil, may involve substantial amounts. If the company determines that any such matters are material, further details will be provided regarding these matters and their impact on the company's results of operations, liquidity or financial condition.

19. Indemnifications and Guarantees

General Guarantees

The company or its appropriate consolidated direct or indirect subsidiaries, including Rexam and its subsidiaries, have made certain indemnities, commitments and guarantees under which the specified entity may be required to make payments in relation to certain transactions. These indemnities, commitments and guarantees include indemnities to the customers of the subsidiaries in connection with the sales of their packaging and aerospace products and services; guarantees to suppliers of subsidiaries of the company guaranteeing the performance of the respective entity under a purchase agreement, construction contract or other commitment; guarantees in respect of certain foreign subsidiaries' pension plans; indemnities for liabilities associated with the infringement of third party patents, trademarks or copyrights under various types of agreements; indemnities to various lessors in connection with facility, equipment, furniture and other personal property leases for certain claims arising from such leases; indemnities to governmental agencies in connection with the issuance of a permit or license to the company or a subsidiary; indemnities pursuant to agreements relating to certain joint ventures; indemnities in connection with the sale of businesses or substantially all of the assets and specified liabilities of businesses; and indemnities to directors, officers and employees of the company to the extent permitted under the laws of the State of Indiana and the United States of America. The duration of these indemnities, commitments and guarantees varies and, in certain cases, is indefinite.

In addition, many of these indemnities, commitments and guarantees do not provide for any limitation on the maximum potential future payments the company could be obligated to make. As such, the company is unable to reasonably estimate its potential exposure under these items.

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

Debt Guarantees

The company's and its subsidiaries' obligations under the senior notes and senior credit facilities (or, in the case of U.S. domiciled foreign subsidiaries under the senior credit facilities, the obligations of foreign credit parties only) are guaranteed on a full, unconditional and joint and several basis by certain of the company's domestic subsidiaries and the domestic subsidiary borrowers, and obligations of other guarantors and the subsidiary borrowers under the senior credit facilities are guaranteed by the company, in each case with certain exceptions and subject to grace periods. These guarantees are required in support of the senior notes and senior credit facilities referred to above, are co-terminous with the terms of the respective note indentures, senior notes and credit agreement and could be enforced by the holders of the obligations thereunder during the continuation of an event of default under the note indentures, the senior notes or the credit agreement or any other loan document in respect thereof. The maximum potential amounts which could be

required to be paid under such guarantees are essentially equal to the then outstanding obligations under the respective senior notes or the credit agreement (or, in the case of U.S. domiciled foreign subsidiaries under the senior credit facilities, the obligations of foreign credit parties only), with certain exceptions. All obligations under the guarantees of the senior credit facilities are secured, with certain exceptions and subject to certain grace periods, by a valid first priority perfected lien or pledge on (i) 100 percent of the capital stock of each of the company's material wholly owned domestic subsidiaries directly owned by the company or any of its wholly owned domestic subsidiaries and
(ii) 65 percent of the capital stock of each of the company's material wholly owned first-tier foreign subsidiaries directly owned by the company or any of its wholly owned domestic subsidiaries. In addition, the obligations of certain foreign borrowers and foreign pledgors under the loan documents will be secured, with certain exceptions and subject to certain grace periods, by a valid first priority perfected lien or pledge on 100 percent of the capital stock of certain of the company's material wholly owned foreign subsidiaries and material wholly-owned U.S. domiciled foreign subsidiaries directly owned by the company or any of its wholly-owned material subsidiaries. The company is not in default under the above senior notes or senior credit facilities. The unaudited condensed consolidating financial information for the guarantor and non-guarantor subsidiaries is presented in Note 20. Separate financial statements for the guarantor subsidiaries and the non-guarantor subsidiaries are not presented because management has determined that such financial statements are not required by the current regulations.

20. Subsidiary Guarantees of Debt

The following condensed consolidating financial information is presented in accordance with SEC Regulations S-X Rule 3-10, Financial statements of Guarantors and Issuers of Guaranteed Securities Registered or Being Registered, and comprises two separate and distinct presentations.

For purposes of each presentation of condensed consolidating financial information, the subsidiaries of the company providing the guarantees are referred to as the guarantor subsidiaries, and subsidiaries of the company other than the guarantor subsidiaries are referred to as the non-guarantor subsidiaries. The eliminating adjustments substantively consist of intercompany transactions and the elimination of equity investments and earnings of subsidiaries. Separate financial statements for the guarantor subsidiaries and the non-guarantor subsidiaries are not presented because management has determined that such financial statements are not required.

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Guarantees Relating to Shelf Registration Statement

The first presentation of condensed consolidating financial information relates to the Registration Statement on Form S-3 registering debt securities of the company and the full and unconditional, joint and several guarantees of such debt securities by certain 100 percent owned domestic subsidiaries of the company. The following is unaudited condensed consolidating financial information for the company, segregating the guarantor subsidiaries and non-guarantor subsidiaries, as of March 31, 2017, and December 31, 2016, and for the three months ended March 31, 2017 and 2016. The condensed consolidating financial information presented below is not necessarily indicative of the financial position, results of operations, earnings or cash flows of the company or any of the company's subsidiaries on a stand-alone basis.

	Unaudited Condensed Consolidating Statement of Earnings Three Months Ended March 31, 2017				
($ in millions)	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments	Consolidated Total
Net sales	$ —	$ 1,115	$ 1,373	$ (15)	$ 2,473
Cost and expenses					
Cost of sales (excluding depreciation and amortization)	—	(903)	(1,087)	15	(1,975)
Depreciation and amortization	(2)	(36)	(110)	—	(148)
Selling, general and administrative	(45)	(41)	(57)	—	(143)
Business consolidation and other activities	(51)	6	(10)	—	(55)
Equity in results of subsidiaries	123	4	—	(127)	—
Intercompany	81	(43)	(38)	—	—
	106	(1,013)	(1,302)	(112)	(2,321)
Earnings (loss) before interest and taxes	106	102	71	(127)	152
Interest expense	(65)	1	(4)	—	(68)
Total interest expense	(65)	1	(4)	—	(68)
Earnings (loss) before taxes	41	103	67	(127)	84
Tax (provision) benefit	27	(37)	(12)	—	(22)
Equity in results of affiliates, net of tax	—	—	8	—	8
Net earnings (loss)	68	66	63	(127)	70
Less net earnings attributable to noncontrolling interests	—	—	(2)	—	(2)
Net earnings (loss) attributable to Ball Corporation	$ 68	$ 66	$ 61	$ (127)	$ 68
Comprehensive earnings (loss) attributable to Ball Corporation	$ 196	$ 159	$ 146	$ (305)	$ 196

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	Unaudited Condensed Consolidating Statement of Earnings				
	Three Months Ended March 31, 2016				
($ in millions)	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments	Consolidated Total
Net sales	$ —	$ 1,075	$ 706	$ (25)	$ 1,756
Cost and expenses					
Cost of sales (excluding depreciation and amortization)	—	(886)	(555)	25	(1,416)
Depreciation and amortization	(1)	(36)	(38)	—	(75)
Selling, general and administrative	(20)	(40)	(48)	—	(108)
Business consolidation and other activities	(260)	(17)	10	—	(267)
Equity in results of subsidiaries	84	36	—	(120)	—
Intercompany	52	(41)	(11)	—	—
	(145)	(984)	(642)	(95)	(1,866)
Earnings (loss) before interest and taxes	(145)	91	64	(120)	(110)
Interest expense	(38)	—	—	—	(38)
Debt refinancing and other costs	(59)	—	(2)	—	(61)
Total interest expense	(97)	—	(2)	—	(99)
Earnings (loss) before taxes	(242)	91	62	(120)	(209)
Tax (provision) benefit	115	(19)	(13)	—	83
Equity in results of affiliates, net of tax	—	(1)	—	—	(1)
Net earnings (loss)	(127)	71	49	(120)	(127)
Less net earnings attributable to noncontrolling interests	—	—	—	—	—
Net earnings (loss) attributable to Ball Corporation	$ (127)	$ 71	$ 49	$ (120)	$ (127)
Comprehensive earnings (loss) attributable to Ball Corporation	$ (96)	$ 100	$ 66	$ (166)	$ (96)

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	Unaudited Condensed Consolidating Balance Sheet				
	March 31, 2017				
($ in millions)	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments	Consolidated Total
Assets					
Current assets					
Cash and cash equivalents	$ 5	$ —	$ 453	$ —	$ 458
Receivables, net	77	551	1,067	—	1,695
Intercompany receivables	41	117	941	(1,099)	—
Inventories, net	—	565	989	—	1,554
Other current assets	33	48	119	—	200
Total current assets	156	1,281	3,569	(1,099)	3,907
Noncurrent assets					
Property, plant and equipment, net	23	1,116	3,264	—	4,403
Investment in subsidiaries	8,039	2,372	79	(10,490)	—
Goodwill	3	981	4,168	—	5,152
Intangible assets, net	18	76	1,823	—	1,917
Other assets	80	23	1,162	—	1,265
Total assets	$ 8,319	$ 5,849	$ 14,065	$ (11,589)	$ 16,644
Liabilities and Shareholders' Equity					
Current liabilities					
Short-term debt and current portion of long-term debt	$ 258	$ —	$ 239	$ —	$ 497
Accounts payable	15	679	1,136	—	1,830
Intercompany payables	1,012	39	60	(1,111)	—
Accrued employee costs	25	92	147	—	264
Other current liabilities	156	72	199	—	427
Total current liabilities	1,466	882	1,781	(1,111)	3,018
Noncurrent liabilities					
Long-term debt	6,493	—	983	—	7,476
Employee benefit obligations	331	445	711	—	1,487
Intercompany long-term notes	(3,370)	421	2,937	12	—
Deferred taxes	(227)	226	856	—	855
Other liabilities	7	(1)	79	—	85
Total liabilities	4,700	1,973	7,347	(1,099)	12,921
Common stock	1,040	635	4,426	(5,061)	1,040
Preferred stock	—	—	5	(5)	—
Retained earnings	4,784	3,960	2,650	(6,610)	4,784
Accumulated other comprehensive earnings (loss)	(813)	(719)	(467)	1,186	(813)
Treasury stock, at cost	(1,392)	—	—	—	(1,392)
Total Ball Corporation shareholders' equity	3,619	3,876	6,614	(10,490)	3,619
Noncontrolling interests	—	—	104	—	104
Total shareholders' equity	3,619	3,876	6,718	(10,490)	3,723
Total liabilities and shareholders' equity	$ 8,319	$ 5,849	$ 14,065	$ (11,589)	$ 16,644

Ball Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements

	Unaudited Condensed Consolidating Balance Sheet				
	December 31, 2016				
($ in millions)	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments	Consolidated Total
Assets					
Current assets					
Cash and cash equivalents	$ 2	$ (11)	$ 606	$ —	$ 597
Receivables, net	96	450	945	—	1,491
Intercompany receivables	39	125	963	(1,127)	—
Inventories, net	—	516	897	—	1,413
Other current assets	40	33	79	—	152
Total current assets	177	1,113	3,490	(1,127)	3,653
Noncurrent assets					
Property, plant and equipment, net	23	1,087	3,277	—	4,387
Investment in subsidiaries	7,815	2,289	79	(10,183)	—
Goodwill	—	990	4,105	—	5,095
Intangible assets, net	18	76	1,840	—	1,934
Other assets	94	20	990	—	1,104
Total assets	$ 8,127	$ 5,575	$ 13,781	$ (11,310)	$ 16,173
Liabilities and Shareholders' Equity					
Current liabilities					
Short-term debt and current portion of long-term debt	$ 141	$ —	$ 81	$ —	$ 222
Accounts payable	18	771	1,244	—	2,033
Intercompany payables	1,010	52	65	(1,127)	—
Accrued employee costs	25	135	155	—	315
Other current liabilities	138	65	196	—	399
Total current liabilities	1,332	1,023	1,741	(1,127)	2,969
Noncurrent liabilities					
Long-term debt	6,337	—	973	—	7,310
Employee benefit obligations	347	440	710	—	1,497
Intercompany long-term notes	(3,142)	178	2,964	—	—
Deferred taxes	(193)	218	734	—	759
Other liabilities	12	—	85	—	97
Total liabilities	4,693	1,859	7,207	(1,127)	12,632
Common stock	1,038	635	4,426	(5,061)	1,038
Preferred stock	—	—	5	(5)	—
Retained earnings	4,739	3,893	2,589	(6,482)	4,739
Accumulated other comprehensive earnings (loss)	(942)	(812)	(552)	1,365	(941)
Treasury stock, at cost	(1,401)	—	—	—	(1,401)
Total Ball Corporation shareholders' equity	3,434	3,716	6,468	(10,183)	3,435
Noncontrolling interests	—	—	106	—	106
Total shareholders' equity	3,434	3,716	6,574	(10,183)	3,541
Total liabilities and shareholders' equity	$ 8,127	$ 5,575	$ 13,781	$ (11,310)	$ 16,173

Ball Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements

	Unaudited Condensed Consolidating Statement of Cash Flows			
	Three Months Ended March 31, 2017			
($ in millions)	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidated Total
Cash provided by (used in) operating activities	$ 7	$ (182)	$ (223)	$ (398)
Cash flows from investing activities capital expenditures	(4)	(82)	(39)	(125)
Business dispositions, net of cash sold	—	31	—	31
Other, net	2	8	(7)	3
Cash provided by (used in) investing activities	(2)	(43)	(46)	(91)
Cash flows from financing activities				
Long-term borrowings	185	—	—	185
Repayments of long-term borrowings	(48)	—	(2)	(50)
Net change in short-term borrowings	116	—	157	273
Proceeds from issuances of common stock, net of shares used for taxes	(1)	—	—	(1)
Acquisitions of treasury stock	(3)	—	—	(3)
Common dividends	(23)	—	—	(23)
Intercompany	(229)	237	(8)	—
Other, net	—	(1)	—	(1)
Cash provided by (used in) financing activities	(3)	236	147	380
Effect of exchange rate changes on cash	1	—	(31)	(30)
Change in cash and cash equivalents	3	11	(153)	(139)
Cash and cash equivalents – beginning of period	2	(11)	606	597
Cash and cash equivalents – end of period	$ 5	$ —	$ 453	$ 458

Ball Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements

	Unaudited Condensed Consolidating Statement of Cash Flows			
	Three Months Ended March 31, 2016			
($ in millions)	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidated Total
Cash provided by (used in) operating activities	$ (36)	$ (130)	$ (220)	$ (386)
Cash flows from investing activities capital expenditures	(7)	(44)	(87)	(138)
Business acquisition, net of cash acquired	—	(36)	—	(36)
Other, net	(13)	2	—	(11)
Cash provided by (used in) investing activities	(20)	(78)	(87)	(185)
Cash flows from financing activities				
Long-term borrowings	795	—	6	801
Repayments of long-term borrowings	(390)	—	(17)	(407)
Net change in short-term borrowings	98	—	212	310
Proceeds from issuances of common stock, net of shares used for taxes	7	—	—	7
Acquisitions of treasury stock	(98)	—	—	(98)
Common dividends	(19)	—	—	(19)
Intercompany	(331)	214	117	—
Other, net	(13)	—	(9)	(22)
Cash provided by (used in) financing activities	49	214	309	572
Effect of exchange rate changes on cash	5	17	(42)	(20)
Change in cash and cash equivalents	(2)	23	(40)	(19)
Cash and cash equivalents – beginning of period	5	—	219	224
Cash and cash equivalents – end of period	$ 3	$ 23	$ 179	$ 205

Ball Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements

Guarantees Relating to Senior Notes

The second presentation of condensed consolidating financial information relates to the existing senior notes issued by the company, and the full and unconditional guarantee of such senior notes on a joint and several basis by certain domestic subsidiaries of the company. Each of the guarantor subsidiaries is 100 percent owned by the company. As described in the supplemental indentures governing the company's existing senior notes, the senior notes are to be guaranteed by any of the company's domestic subsidiaries that guarantee any other indebtedness of the company. The following is unaudited condensed consolidating financial information for the company, segregating the guarantor subsidiaries and non-guarantor subsidiaries, as of March 31, 2017, and December 31, 2016 and for the three months ended March 31, 2017 and 2016. The condensed consolidating financial information presented below is not necessarily indicative of the financial position, results of operations, earnings or cash flows of the company or any of the company's subsidiaries on a stand-alone basis.

	Unaudited Condensed Consolidating Statement of Earnings Three Months Ended March 31, 2017				
($ in millions)	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments	Consolidated Total
Net sales	$ —	$ 1,115	$ 1,373	$ (15)	$ 2,473
Cost and expenses					
Cost of sales (excluding depreciation and amortization)	—	(903)	(1,087)	15	(1,975)
Depreciation and amortization	(2)	(36)	(110)	—	(148)
Selling, general and administrative	(45)	(41)	(57)	—	(143)
Business consolidation and other activities	(51)	5	(9)	—	(55)
Equity in results of subsidiaries	123	3	(7)	(119)	—
Intercompany	81	(41)	(40)	—	—
	106	(1,013)	(1,310)	(104)	(2,321)
Earnings (loss) before interest and taxes	106	102	63	(119)	152
Interest expense	(65)	1	(4)	—	(68)
Total interest expense	(65)	1	(4)	—	(68)
Earnings (loss) before taxes	41	103	59	(119)	84
Tax (provision) benefit	27	(37)	(12)	—	(22)
Equity in results of affiliates, net of tax	—	—	8	—	8
Net earnings (loss)	68	66	55	(119)	70
Less net earnings attributable to noncontrolling interests	—	—	(2)	—	(2)
Net earnings (loss) attributable to Ball Corporation	$ 68	$ 66	$ 53	$ (119)	$ 68
Comprehensive earnings (loss) attributable to Ball Corporation	$ 196	$ 168	$ 144	$ (312)	$ 196

Ball Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements

	Unaudited Condensed Consolidating Statement of Earnings				
	Three Months Ended March 31, 2016				
($ in millions)	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments	Consolidated Total
Net sales	$ —	$ 1,075	$ 706	$ (25)	$ 1,756
Cost and expenses					
Cost of sales (excluding depreciation and amortization)	—	(886)	(555)	25	(1,416)
Depreciation and amortization	(1)	(36)	(38)	—	(75)
Selling, general and administrative	(20)	(40)	(48)	—	(108)
Business consolidation and other activities	(260)	(4)	(3)	—	(267)
Equity in results of subsidiaries	84	36	—	(120)	—
Intercompany	52	(41)	(11)	—	—
	(145)	(971)	(655)	(95)	(1,866)
Earnings (loss) before interest and taxes	(145)	104	51	(120)	(110)
Interest expense	(38)	—	—	—	(38)
Debt refinancing and other costs	(59)	—	(2)	—	(61)
Total interest expense	(97)	—	(2)	—	(99)
Earnings (loss) before taxes	(242)	104	49	(120)	(209)
Tax (provision) benefit	115	(19)	(13)	—	83
Equity in results of affiliates, net of tax	—	(1)	—	—	(1)
Net earnings (loss)	(127)	84	36	(120)	(127)
Less net earnings attributable to noncontrolling interests	—	—	—	—	—
Net earnings (loss) attributable to Ball Corporation	$ (127)	$ 84	$ 36	$ (120)	$ (127)
Comprehensive earnings (loss) attributable to Ball Corporation	$ (96)	$ 113	$ 53	$ (166)	$ (96)

Ball Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements

	Unaudited Condensed Consolidating Balance Sheet March 31, 2017				
($ in millions)	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments	Consolidated Total
Assets					
Current assets					
Cash and cash equivalents	$ 5	$ —	$ 453	$ —	$ 458
Receivables, net	77	551	1,067	—	1,695
Intercompany receivables	41	465	941	(1,447)	—
Inventories, net	—	565	989	—	1,554
Other current assets	33	54	113	—	200
Total current assets	156	1,635	3,563	(1,447)	3,907
Noncurrent assets					
Property, plant and equipment, net	23	1,116	3,264	—	4,403
Investment in subsidiaries	8,039	4,380	424	(12,843)	—
Goodwill	3	977	4,172	—	5,152
Intangible assets, net	18	76	1,823	—	1,917
Other assets	80	297	888	—	1,265
Total assets	$ 8,319	$ 8,481	$ 14,134	$ (14,290)	$ 16,644
Liabilities and Shareholders' Equity					
Current liabilities					
Short-term debt and current portion of long-term debt	$ 258	$ —	$ 239	$ —	$ 497
Accounts payable	15	680	1,135	—	1,830
Intercompany payables	1,012	40	408	(1,460)	—
Accrued employee costs	25	103	136	—	264
Other current liabilities	156	76	195	—	427
Total current liabilities	1,466	899	2,113	(1,460)	3,018
Noncurrent liabilities					
Long-term debt	6,493	—	983	—	7,476
Employee benefit obligations	331	754	402	—	1,487
Intercompany long-term notes	(3,370)	2,278	1,079	13	—
Deferred taxes	(227)	268	814	—	855
Other liabilities	7	(1)	79	—	85
Total liabilities	4,700	4,198	5,470	(1,447)	12,921
Common stock	1,040	1,120	6,301	(7,421)	1,040
Preferred stock	—	—	5	(5)	—
Retained earnings	4,784	3,898	2,715	(6,613)	4,784
Accumulated other comprehensive earnings (loss)	(813)	(735)	(461)	1,196	(813)
Treasury stock, at cost	(1,392)	—	—	—	(1,392)
Total Ball Corporation shareholders' equity	3,619	4,283	8,560	(12,843)	3,619
Noncontrolling interests	—	—	104	—	104
Total shareholders' equity	3,619	4,283	8,664	(12,843)	3,723
Total liabilities and shareholders' equity	$ 8,319	$ 8,481	$ 14,134	$ (14,290)	$ 16,644

Ball Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements

	Unaudited Condensed Consolidating Balance Sheet December 31, 2016				
($ in millions)	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments	Consolidated Total
Assets					
Current assets					
Cash and cash equivalents	$ 2	$ (11)	$ 606	$ —	$ 597
Receivables, net	96	450	945	—	1,491
Intercompany receivables	39	467	963	(1,469)	—
Inventories, net	—	516	897	—	1,413
Other current assets	40	39	73	—	152
Total current assets	177	1,461	3,484	(1,469)	3,653
Noncurrent assets					
Property, plant and equipment, net	23	1,087	3,277	—	4,387
Investment in subsidiaries	7,815	4,291	423	(12,529)	—
Goodwill	—	985	4,110	—	5,095
Intangible assets, net	18	76	1,840	—	1,934
Other assets	94	306	704	—	1,104
Total assets	$ 8,127	$ 8,206	$ 13,838	$ (13,998)	$ 16,173
Liabilities and Shareholders' Equity					
Current liabilities					
Short-term debt and current portion of long-term debt	$ 141	$ —	$ 81	$ —	$ 222
Accounts payable	18	772	1,243	—	2,033
Intercompany payables	1,010	53	408	(1,471)	—
Accrued employee costs	25	152	138	—	315
Other current liabilities	138	69	192	—	399
Total current liabilities	1,332	1,046	2,062	(1,471)	2,969
Noncurrent liabilities					
Long-term debt	6,337	—	973	—	7,310
Employee benefit obligations	347	760	390	—	1,497
Intercompany long-term notes	(3,142)	2,018	1,122	2	—
Deferred taxes	(193)	261	691	—	759
Other liabilities	12	6	79	—	97
Total liabilities	4,693	4,091	5,317	(1,469)	12,632
Common stock	1,038	1,120	6,301	(7,421)	1,038
Preferred stock	—	—	5	(5)	—
Retained earnings	4,739	3,832	2,661	(6,493)	4,739
Accumulated other comprehensive earnings (loss)	(942)	(837)	(552)	1,390	(941)
Treasury stock, at cost	(1,401)	—	—	—	(1,401)
Total Ball Corporation shareholders' equity	3,434	4,115	8,415	(12,529)	3,435
Noncontrolling interests	—	—	106	—	106
Total shareholders' equity	3,434	4,115	8,521	(12,529)	3,541
Total liabilities and shareholders' equity	$ 8,127	$ 8,206	$ 13,838	$ (13,998)	$ 16,173

Ball Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements

	Unaudited Condensed Consolidating Statement of Cash Flows			
	Three Months Ended March 31, 2017			
($ in millions)	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidated Total
Cash provided by (used in) operating activities	$ 7	$ (194)	$ (211)	$ (398)
Cash flows from investing activities capital expenditures	(4)	(82)	(39)	(125)
Proceeds from dispositions, net of cash sold	—	31	—	31
Other, net	2	8	(7)	3
Cash provided by (used in) investing activities	(2)	(43)	(46)	(91)
Cash flows from financing activities				
Long-term borrowings	185	—	—	185
Repayments of long-term borrowings	(48)	—	(2)	(50)
Net change in short-term borrowings	116	—	157	273
Proceeds from issuances of common stock, net of shares used for taxes	(1)	—	—	(1)
Acquisitions of treasury stock	(3)	—	—	(3)
Common dividends	(23)	—	—	(23)
Intercompany	(229)	249	(20)	—
Other, net	—	(1)	—	(1)
Cash provided by (used in) financing activities	(3)	248	135	380
Effect of exchange rate changes on cash	1	—	(31)	(30)
Change in cash and cash equivalents	3	11	(153)	(139)
Cash and cash equivalents – beginning of period	2	(11)	606	597
Cash and cash equivalents – end of period	$ 5	$ —	$ 453	$ 458

Ball Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements

($ in millions)	Unaudited Condensed Consolidating Statement of Cash Flows Three Months Ended March 31, 2016 Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidated Total
Cash provided by (used in) operating activities	$ (36)	$ (130)	$ (220)	$ (386)
Cash flows from investing activities capital expenditures	(7)	(44)	(87)	(138)
Business acquisition, net of cash acquired	—	(36)	—	(36)
Other, net	(13)	2	—	(11)
Cash provided by (used in) investing activities	(20)	(78)	(87)	(185)
Cash flows from financing activities				
Long-term borrowings	795	—	6	801
Repayments of long-term borrowings	(390)	—	(17)	(407)
Net change in short-term borrowings	98	—	212	310
Proceeds from issuances of common stock, net of shares used for taxes	7	—	—	7
Acquisitions of treasury stock	(98)	—	—	(98)
Common dividends	(19)	—	—	(19)
Intercompany	(331)	196	135	—
Other, net	(13)	—	(9)	(22)
Cash provided by (used in) financing activities	49	196	327	572
Effect of exchange rate changes on cash	5	17	(42)	(20)
Change in cash and cash equivalents	(2)	5	(22)	(19)
Cash and cash equivalents – beginning of period	5	—	219	224
Cash and cash equivalents – end of period	$ 3	$ 5	$ 197	$ 205

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

Management’s discussion and analysis should be read in conjunction with the consolidated financial statements and accompanying notes included in Item 8 of this Annual Report on Form 10-K, which include additional information about our accounting policies, practices and the transactions underlying our financial results. The preparation of our consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires us to make estimates and assumptions that affect the reported amounts in our consolidated financial statements and the accompanying notes including various claims and contingencies related to lawsuits, taxes, environmental and other matters arising during the normal course of business. We apply our best judgment, our knowledge of existing facts and circumstances and actions that we may undertake in the future in determining the estimates that affect our consolidated financial statements. We evaluate our estimates on an ongoing basis using our historical experience, as well as other factors we believe appropriate under the circumstances, such as current economic conditions, and adjust or revise our estimates as circumstances change. As future events and their effects cannot be determined with precision, actual results may differ from these estimates. Ball Corporation and its subsidiaries are referred to collectively as “Ball Corporation,” “Ball,” “the company,” “we” or “our” in the following discussion and analysis.

OVERVIEW

Business Overview and Industry Trends

Ball Corporation is one of the world’s leading suppliers of metal packaging to the beverage, food, personal care and household products industries. Our packaging products are produced for a variety of end uses, are manufactured in facilities around the world and are competitive with other substrates, such as plastics and glass. In the rigid packaging industry, sales and earnings can be increased by reducing costs, increasing prices, developing new products, expanding volumes and making strategic acquisitions. We also provide aerospace and other technologies and services to governmental and commercial customers.

We sell our packaging products mainly to large, multinational beverage, food, personal care and household products companies with which we have developed long-term relationships. This is evidenced by our high customer retention and our large number of long-term supply contracts. While we have a diversified customer base, we sell a majority of our packaging products to relatively few major companies in North, Central and South America, Europe, Asia, the Middle East and Africa, as do our equity joint ventures in Guatemala, Panama, South Korea, the U.S. and Vietnam. The overall metal container industry is growing globally and is expected to continue to grow in the medium to long term despite the North American industry seeing a continued decline in standard-sized aluminum beverage packaging for the carbonated soft drink market. The primary customers for the products and services provided by our aerospace segment are U.S. government agencies or their prime contractors.

We purchase our raw materials from relatively few suppliers. We also have exposure to inflation, in particular the rising costs of raw materials, as well as other direct cost inputs. We mitigate our exposure to the changes in the costs of metal through the inclusion of provisions in contracts covering the majority of our volumes to pass through metal price changes, as well as through the use of derivative instruments. The pass-through provisions generally result in proportional increases or decreases in sales and costs with a greatly reduced impact, if any, on net earnings. Because of our customer and supplier concentration, our business, financial condition and results of operations could be adversely affected by the loss, insolvency or bankruptcy of a major customer or supplier or a change in a supply agreement with a major customer or supplier, although our contract provisions generally mitigate the risk of customer loss, and our long-term relationships represent a known, stable customer base.

We recognize sales under long-term contracts in the aerospace segment using percentage-of-completion under the cost-to-cost method of accounting. Throughout the period of contract performance, we regularly reevaluate and, if necessary, revise our estimates of aerospace total contract revenue, total contract cost and progress toward completion. Because of contract payment schedules, limitations on funding and other contract terms, our sales and accounts receivable for this segment include amounts that have been earned but not yet billed.

Corporate Strategy

Our Drive for 10 vision encompasses five strategic levers that are key to growing our business and achieving long-term success. Since launching Drive for 10 in 2011, we made progress on each of the levers as follows:

- Maximizing value in our existing businesses by rationalizing standard beverage container and end capacity in North America and expanding specialty container production to meet current demand; leveraging plant floor systems in our beverage facilities to improve efficiencies and reduce costs; consolidating and/or closing multiple beverage and food and aerosol packaging facilities to gain efficiencies; and in the aerosol business, installing new extruded aluminum aerosol lines in our existing Devizes, U.K., and Czech Republic facilities while also implementing cost-out and value-in initiatives across all of our businesses;

- Expanding further into new products and capabilities by the acquisition of Sonoco's metal end and closure manufacturing facilities in Canton, Ohio, in February 2015; successfully commercializing extruded aluminum aerosol packaging that utilizes a significant amount of recycled material; and successfully commercializing the next generation aluminum bottle-shaping technology;

- Aligning ourselves with the right customers and markets by investing capital to meet continued growth for specialty beverage containers throughout our global network, which represent more than 30 percent of our global beverage packaging mix; aligning with craft brewers, sparkling water fillers and wine producers who continue to use beverage containers to grow their business;

- Broadening our geographic reach with our acquisition of Rexam and our new investments in a beverage manufacturing facility in Myanmar, as well as an extruded aluminum aerosol manufacturing facility in India, and the construction of a beverage can and end facility in Monterrey, Mexico; and

- Leveraging our technological expertise in packaging innovation, including the introduction of next-generation aluminum bottle-shaping technologies, the introduction of a new two-piece, lightweight steel aerosol can, G3, technology in our Chestnut Hill, Tennessee, facility and the increased production of lightweight ReAl™ containers with 25 percent recycled aluminum content; and investment in cyber and data analytics to further enhance our aerospace technical expertise across a broader customer portfolio.

These ongoing business developments and the successful acquisition of Rexam completed on June 30, 2016, help us stay close to our customers while expanding and/or sustaining our industry positions with major beverage, food, personal care, household products and aerospace customers.

RESULTS OF CONSOLIDATED OPERATIONS

Management's discussion and analysis for the results of operations on a consolidated and segment basis include a quantification of factors that had a material impact. Other factors that did not have a material impact, but that are significant to understand the results, are qualitatively described.

Consolidated Sales and Earnings

($ in millions)	Three Months Ended March 31, 2017	Three Months Ended March 31, 2016
Net sales	$ 2,473	$ 1,756
Net earnings attributable to Ball Corporation	68	(127)
Net earnings attributable to Ball Corporation as a % of consolidated net sales	3 %	(7)%

Sales in the first quarter of 2017 were higher compared to the first quarter of 2016 primarily as a result of increased sales of $677 million related to the acquired Rexam business, net of Ball's legacy sales included in the Divestment Business, and $56 million related to the aerospace segment. Net earnings in the first quarter of 2017 were higher than 2016 primarily due to $212 million lower business consolidation and other activities, $61 million lower debt refinancing and other costs and earnings from the acquired Rexam business, net of the sale of Ball's legacy portion of the Divestment Business. These impacts on net earnings were partially offset by $105 million higher tax provisions, due to recognized benefits related to business consolidation and other activities and derivatives, and $30 million higher interest expense associated with higher average debt levels following the acquisition of Rexam.

Cost of Sales (Excluding Depreciation and Amortization)

Cost of sales, excluding depreciation and amortization, was $1,975 million in the first quarter of 2017 compared to $1,416 million for the same period in 2016. These amounts represented 80 percent of consolidated net sales in the first quarter of 2017 and 81 percent for the same period in 2016.

Depreciation and Amortization

Depreciation and amortization expense was $148 million in the first quarter of 2017 compared to $75 million for the same period in 2016. These amounts represented 6 percent of consolidated net sales in the first quarter of 2017 and 4 percent for the same period in 2016. Depreciation expense was higher in the first quarter of 2017 compared to the first quarter of 2016 primarily due to the acquired Rexam fixed assets. Amortization in the first quarter of 2017 included $32 million for the amortization of acquired Rexam intangibles.

Selling, General and Administrative

Selling, general and administrative (SG&A) expenses were $143 million in the first quarter of 2017 compared to $108 million for the same period in 2016. These amounts represented 6 percent of consolidated net sales in the first quarter of 2017 and 2016, respectively. The increase in SG&A costs for the first quarter of 2017 was primarily due to additional SG&A from the acquired Rexam business which is expected to be reduced over time.

Business Consolidation Costs and Other Activities

Business consolidation and other activities were $55 million in the first quarter of 2017 compared to $267 million for the same period in 2016. These amounts represented 2 percent of consolidated net sales in the first quarter of 2017, and 15 percent for the same period in 2016.

The year-over-year decrease in business consolidation and other activities for the first quarter of 2017 compared to 2016 was primarily due to a decrease of $96 million for currency exchange losses for restricted cash, intercompany loans and senior notes, a decrease of $88 million associated for the collar, swap, and option contracts and a decrease of $36 million for the fair value of cross-currency swaps, all associated with the Rexam acquisition.

Interest Expense

Total interest expense was $68 million in the first quarter of 2017 compared to $99 million for the same period in 2016. Interest expense, excluding debt refinancing and other costs, as a percentage of average monthly borrowings was 3.5 percent for the first quarter of 2017 compared to 5.3 percent for the same period in 2016. The decrease in interest expense as a percentage of average monthly borrowings for the first quarter of 2017 was primarily due to the debt incurred in the acquisition of Rexam bearing lower interest rates.

Debt refinancing and other costs were $61 million for the three months ended March 31 2016. There were no debt refinancing and other costs in the same period of 2017. The first quarter of 2016 consisted mainly of charges to fund a portion of the cash component of the Rexam acquisition purchase price: (1) interest expense of $25 million on the 3.5 percent and 4.375 percent senior notes, (2) fair value changes of $16 million on derivative instruments designed to mitigate risks of interest rate changes with debt issuances, (3) refinancing of the bridge and revolving credit facilities of $13 million, and (4) the amortization of $7 million in deferred financing fees on the Bridge Facility.

Taxes

The effective tax rate is affected by recurring items such as income earned in foreign jurisdictions with tax rates that differ from the U.S. tax rate and by discrete items that may occur in any given year but are not consistent from year to year. The effective income tax rate in the first quarter of 2017 was 26.2 percent compared to 39.7 percent in the first quarter of 2016.

In the first quarter of 2017, the effective tax rate was reduced by 10.7 percent for the discrete tax benefit associated with the adoption in the first quarter of 2017 of amendments to existing accounting guidance for stock based compensation. This item will continue to create a discrete tax impact in future reporting periods based upon the amount of share-based payments made by the company. The effective tax rate was further reduced by 8.6 percent for the impact of the foreign tax rate differential versus the U.S. tax rate. The effective tax rate was increased by 11.4 percent for various other one-time items, primarily related to discrete transactions which are not expected to recur in future periods. The full-year 2017 effective income tax rate is expected to be approximately 27 percent.

In the first quarter of 2016, a significant amount of nonrecurring business consolidation costs and deferred financing and other debt related costs was incurred, primarily in the U.S. These costs and the resulting decrease in earnings before taxes in the U.S. reduced the effect of permanent items and the impact of the foreign tax rate differential versus the U.S. tax rate on the global effective tax rate for the first quarter of 2016. As a result, the most significant impact resulted from U.S. state and local income taxes which increased the effective tax rate by 3.4 percent for the first quarter of 2016.

RESULTS OF BUSINESS SEGMENTS

Segment Results

On June 30, 2016, Ball acquired 100 percent of the outstanding shares of Rexam, a U.K. based beverage container manufacturer and concurrently sold a portion of Ball’s existing beverage packaging businesses and select beverage can assets of Rexam (the Divestment Business). As a result of these transactions, there were significant changes in the results of operations when comparing the first quarter of 2017 to the same period in 2016.

During the third quarter of 2016, Ball made certain segment realignments as a result of the Rexam acquisition and sale of the Divestment Business to align with how Ball now manages its businesses. Ball has retrospectively adjusted prior period amounts to conform to the current segment presentation. Ball’s operations are organized and reviewed by management along its product lines and geographical areas and presented in the five reportable segments discussed below.

Beverage Packaging, North and Central America

	Three Months Ended March 31,	
($ in millions)	**2017**	**2016**
Net sales	$ 949	$ 734
Comparable operating earnings	$ 123	$ 93
Business consolidation and other activities *(a)*	(4)	(3)
Amortization of acquired Rexam intangibles	(6)	—
Total segment earnings	$ 113	$ 90
Comparable operating earnings as a % of segment net sales	13 %	13 %

(a) *Further details of these items are included in Note 5 to the unaudited condensed consolidated financial statements within Item 1 of this report.*

The beverage packaging, North and Central America, segment consists of operations located in the U.S., Canada and Mexico that manufacture aluminum containers used in beverage packaging. During the first quarter of 2016, our beverage manufacturing facility in Monterrey, Mexico, began production. During the second quarter of 2016, our beverage packaging end-making facility in Bristol, Virginia, ceased production.

Segment sales in the first quarter of 2017 were $215 million higher compared to the same period in 2016. The increase in the first quarter of 2017 was primarily due to the increase in sales volumes from the acquired Rexam business.

Comparable operating earnings in the first quarter of 2017 were $30 million higher compared to the same period in 2017. The increase in the first quarter of 2017 was primarily due to the earnings from the acquired Rexam business. Other items favorably impacting earnings year over year were improved product mix and improved manufacturing performance.

Beverage Packaging, South America

($ in millions)	Three Months Ended March 31, 2017	2016
Net sales	$ 371	$ 126
Comparable operating earnings	$ 58	$ 18
Business consolidation and other activities *(a)*	3	—
Amortization of acquired Rexam intangibles	(9)	—
Total segment earnings	$ 52	$ 18
Comparable operating earnings as a % of segment net sales	16 %	14 %

(a)*Further details of these items are included in Note 5 to the unaudited condensed consolidated financial statements within Item 1 of this report.*

The beverage packaging, South America, segment consists of operations located in Brazil, Argentina and Chile that manufacture aluminum containers used in beverage packaging.

Segment sales in the first quarter of 2017 were $245 million higher compared to same period in 2016. The first quarter of 2017 included sales volumes from the Rexam business while the first quarter of 2016 included the company's legacy business in Brazil, the significant portion of which was sold with the Divestment Business.

Comparable operating earnings in the first quarter of 2017 were $40 million higher compared to the same period in 2016. The first quarter of 2017 included earnings from the Rexam business while the first quarter of 2016 included the company's legacy business in Brazil, the significant portion of which was sold with the Divestment Business.

Beverage Packaging, Europe

($ in millions)	Three Months Ended March 31, 2017	2016
Net sales	$ 508	$ 356
Comparable operating earnings	$ 47	$ 39
Business consolidation and other activities *(a)*	(3)	(4)
Amortization of acquired Rexam intangibles	(15)	—
Total segment earnings	$ 29	$ 35
Comparable operating earnings as a % of segment net sales	9 %	11 %

(a)*Further details of these items are included in Note 5 to the unaudited condensed consolidated financial statements within Item 1 of this report.*

The beverage packaging, Europe, segment includes the manufacture and sale of metal beverage containers in facilities located throughout Europe, including Russia. To support growth for beverage cans in the Iberian Peninsula, the company is constructing a two-line, aluminum beverage can manufacturing facility near Madrid, Spain, with a majority of the facility's capacity secured under a long-term customer contract. The facility is expected to be fully operational in 2018 and will produce multiple can sizes.

Segment sales in the first quarter of 2017 were $152 million higher compared to the same period in 2016. The first quarter of 2017 included sales volumes from the Rexam business while the first quarter of 2016 included the company's legacy European business, the significant portion of which was sold with the Divestment Business.

Comparable operating earnings in the first quarter of 2017 were $8 million higher compared to the same period in 2016. The first quarter of 2017 included earnings from the Rexam business while the first quarter of 2016 included earnings from the company's legacy European business, the significant portion of which was sold with the Divestment Business.

Food and Aerosol Packaging

($ in millions)	Three Months Ended March 31, 2017	2016
Net sales	$ 272	$ 284
Comparable operating earnings	$ 21	$ 20
Business consolidation and other activities *(a)*	10	(14)
Total segment earnings	$ 31	$ 6
Comparable operating earnings as a % of segment net sales	8 %	7 %

(a)Further details of these items are included in Note 5 to the unaudited condensed consolidated financial statements within Item 1 of this report.

The food and aerosol packaging segment consists of operations located in the U.S., Europe, Canada, Mexico, Argentina and India that manufacture and sell steel food and aerosol containers, extruded aluminum aerosol containers and slugs.

Segment sales in the first quarter of 2017 were $12 million lower compared to the same period in 2016, primarily as a result of lower food can sales volumes.

Comparable operating earnings in the first quarter of 2017 were slightly higher compared to the same periods in 2016 due to a number of individually immaterial items.

Aerospace

($ in millions)	Three Months Ended March 31, 2017	2016
Net sales	$ 236	$ 180
Comparable operating earnings	21	18
Comparable operating earnings as a % of segment net sales	9 %	10 %

The aerospace segment consists of the manufacture and sale of aerospace and other related products and services provided for the defense, civil space and commercial space industries.

Segment sales in the first quarter of 2017 were $56 million higher compared to the same period in 2016, and comparable operating earnings increased by $3 million. The increase in sales was primarily the result of an increase in sales from significant U.S. national defense contracts.

The aerospace sales contract mix in the first quarter of 2017 consisted of 63 percent cost-type contracts, which are billed at our costs plus an agreed upon and/or earned profit component, and 33 percent fixed-price contracts. The remaining sales were for time and materials contracts. Contracted backlog was $1.4 billion at March 31, 2017, compared to $1.4 billion at December 31, 2016, and $773 million at March 31, 2016. The backlog at March 31, 2017, consisted of 72 percent cost-type contracts. Comparisons of backlog are not necessarily indicative of the trend of future operations due to the nature of varying delivery and milestone schedules on contracts, funding of programs and the uncertainty of timing of future contract awards.

Additional Segment Information

For additional information regarding our segments, see the business segment information in Note 3 accompanying the unaudited condensed consolidated financial statements included within Item 1 of this report. The charges recorded for business consolidation and other activities were based on estimates by management and were developed from information available at the time the amounts were recognized. If actual outcomes vary from the estimates, the differences will be reflected in current period earnings in the statement of earnings and identified as business consolidation gains and losses. Additional details about our business consolidation and other activities, as well as the associated costs, are provided in Note 5 to the unaudited condensed consolidated financial statements included within Item 1 of this report.

NEW ACCOUNTING PRONOUNCEMENTS

For information regarding recent accounting pronouncements, see Note 2 to the unaudited condensed consolidated financial statements within Item 1 of this report on Form 10-Q.

Management Performance Measures

Management internally uses various measures to evaluate company performance such as comparable operating earnings (earnings before interest, taxes and business consolidation and other non-comparable costs); comparable net earnings (earnings before business consolidation costs and other non-comparable costs after-tax); return on average invested capital (net operating earnings after tax over the relevant performance period divided by average invested capital over the same period); economic value added (EVA®) dollars (net operating earnings after tax less a capital charge on average invested capital employed); earnings before interest and taxes (EBIT); earnings before interest, taxes, depreciation and amortization (EBITDA); and diluted earnings per share. Management also uses free cash flow (generally defined by the company as cash flow from operating activities less capital expenditures) as a measure to evaluate the company's liquidity. We believe this information is also useful to investors as it provides insight into the earnings and cash flow criteria management uses to make strategic decisions. These financial measures may be adjusted at times for items that affect comparability between periods such as business consolidation costs and gains or losses on acquisitions and dispositions.

Nonfinancial measures in the packaging businesses include production efficiency and spoilage rates; quality control figures; environmental, health and safety statistics; production and sales volumes; asset utilization rates; and measures of sustainability. Additional measures used to evaluate financial performance in the aerospace segment include contract revenue realization, award and incentive fees realized, proposal win rates and backlog (including awarded, contracted and funded backlog).

The following financial measurements are on a non-U.S. GAAP basis and should be considered in connection with the unaudited condensed consolidated financial statements within Item 1 of this report. Non-U.S. GAAP measures should not be considered in isolation and should not be considered superior to, or a substitute for, financial measures calculated in accordance with U.S. GAAP. A presentation of earnings in accordance with U.S. GAAP is available in Item 1 of this report.

Based on the above definitions, our calculation of comparable operating earnings is summarized below:

	Three Months Ended March 31,	
($ in millions)	**2017**	**2016**
Net earnings (loss) attributable to Ball Corporation	$ 68	$ (127)
Add: net earnings attributable to noncontrolling interests	2	—
Net earnings (loss)	70	(127)
Less: Equity in results of affiliates, net of tax	(8)	1
Add: Tax provision (benefit)	22	(83)
Earnings (loss) before taxes, as reported	84	(209)
Add: Total interest expense	68	99
Earnings (loss) before interest and taxes	152	(110)
Add: Business consolidation and other activities	55	267
Add: Amortization of acquired Rexam intangibles	32	—
Comparable operating earnings	$ 239	$ 157

Our calculation of comparable net earnings is summarized below:

($ in millions, except per share amounts)	Three Months Ended March 31, 2017	2016
Net earnings (loss) attributable to Ball Corporation	$ 68	$ (127)
Add: Business consolidation and other activities	55	267
Add: Amortization of acquired Rexam intangibles	32	—
Add: Debt refinancing and other costs	—	61
Less: Tax effect on above items	(19)	(115)
Comparable net earnings	$ 136	$ 86
Per diluted share, as reported	$ 0.38	$ (0.90)
Per diluted share, comparable basis	$ 0.76	$ 0.59 (a)

(a)The Company reported a U.S. GAAP net loss in the first three months of 2016 and, as a result, all potentially issuable securities were excluded from the diluted earnings per share calculation as their effect would have been anti-dilutive. Had the securities been included, weighted average shares applicable to diluted earnings per share would have been 145,100. Comparable net earnings for the first three months of 2016 was positive; therefore, 145,100 weighted average shares were used to calculate diluted earnings per share for comparable net earnings.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Cash Flows and Capital Expenditures

Our primary sources of liquidity are cash provided by operating activities and external committed borrowings. We believe that cash flows from operations and cash provided by short-term, long-term and committed revolver borrowings, when necessary, will be sufficient to meet our ongoing operating requirements, scheduled principal and interest payments on debt, dividend payments and anticipated capital expenditures. The following summarizes our cash flows:

($ in millions)	Three Months Ended March 31, 2017	2016
Cash flows provided by (used in) operating activities	$ (398)	$ (386)
Cash flows provided by (used in) investing activities	(91)	(185)
Cash flows provided by (used in) financing activities	380	572

Cash flows used in operations in the first three months of 2017 were higher compared to the first three months of 2016 due primarily to higher outflows from working capital changes offset by higher net earnings. The outflows of working capital were primarily related to (1) higher annualized days sales outstanding in the first quarter of 2017 of 49 days compared to 47 days in the first quarter of 2016 and (2) higher annualized inventory days on hand of 67 days in the first quarter of 2017 compared to 59 days in the first quarter of 2016, which were partially offset by (3) higher annualized days payable outstanding of 79 days in the first quarter of 2017 compared to 78 days in the first quarter of 2016.

We have entered into several regional committed and uncommitted accounts receivable factoring programs with various financial institutions for certain receivables of the company. The programs are accounted for as true sales of the receivables, without recourse to Ball, and had combined limits of approximately $865 million at March 31, 2017. A total of $542 million and $596 million were sold under these programs as of March 31, 2017, and December 31, 2016, respectively.

Contributions to the company's defined benefit pension plans, not including unfunded German, Swedish and certain U.S. plans, were $8 million in the first three months of 2017 compared to $20 million in the first three months of 2016, and are expected to be in the range of $190 million for the full year of 2017. This estimate may change based on any changes to the U.S. Pension Protection Act and actual plan asset performance, among other factors. Included in the contributions during the first three months of 2017 were contributions to acquired Rexam defined benefit pension plans. Payments to participants in the unfunded German, Swedish and certain U.S. plans were $6 million in the first three months of 2017 and are expected to be approximately $20 million for the full year of 2017.

We expect 2017 capital expenditures for property, plant and equipment to be in the range of $500 million, and approximately $245 million was contractually committed as of March 31, 2017. Capital expenditures are expected to be funded by cash flows from operations.

As of March 31, 2017, approximately $452 million of our cash was held outside of the U.S. In the event that we would need to utilize any of the cash held outside of the U.S. for purposes within the U.S., there are no material legal or other economic restrictions regarding the repatriation of cash from any of the countries outside the U.S. where we have cash, other than market liquidity constraints that limit the ability to convert Egyptian pounds held by the company in Egypt with a U.S. dollar equivalent value of $74 million into other currencies. The company believes its U.S. operating cash flows; the $1.1 billion available under the company's long-term, revolving credit facilities; the $630 million available under other U.S.-based uncommitted short-term credit facilities; and availability under U.S.-based committed and uncommitted accounts receivable factoring programs will be sufficient to meet the cash requirements of the U.S. portion of the company's ongoing operations, scheduled principal and interest payments on U.S. debt, dividend payments, capital expenditures and other U.S. cash requirements. If foreign funds would be needed for our U.S. cash requirements and we are unable to provide the funds through intercompany financing arrangements, we will be required to accrue and pay U.S. taxes, net of applicable foreign tax credits, to repatriate funds from foreign locations where the company has previously asserted indefinite reinvestment of funds outside the U.S. However, it continues to be the company's intent to permanently reinvest these foreign amounts outside the U.S., and our current plans do not demonstrate a need to repatriate the foreign amounts to fund our U.S. cash requirements.

Share Repurchases

The company's share repurchases, net of issuances, totaled $4 million in the first quarter of 2017 compared to $91 million in the same period of 2016. Share repurchases are completed using cash on hand and available borrowings.

Debt Facilities and Refinancing

Given our cash flow projections and unused credit facilities that are available until March 2021, our liquidity is strong and is expected to meet our ongoing cash and debt service requirements. Interest-bearing debt of $8.0 billion at March 31, 2017, was higher than the amount outstanding at December 31, 2016, of $7.5 billion.

At March 31, 2017, taking into account outstanding letters of credit, approximately $1.1 billion was available under the company's long-term, revolving credit facilities. In addition to these facilities, the company had approximately $902 million of short-term uncommitted credit facilities available at March 31, 2017, of which $418 million was outstanding and due on demand. At December 31, 2016, the company had $143 million outstanding under short-term uncommitted credit facilities.

While ongoing financial and economic conditions in certain areas may raise concerns about credit risk with counterparties to derivative transactions, the company mitigates its exposure by allocating the risk among various counterparties and limiting exposure to any one party. We also monitor the credit ratings of our suppliers, customers, lenders and counterparties on a regular basis.

We were in compliance with all loan agreements at March 31, 2017, and all prior years presented, and have met all debt payment obligations. The U.S. note agreements and bank credit agreement contain certain restrictions relating to dividends, investments, financial ratios, guarantees and the incurrence of additional indebtedness. The most restrictive of the company's debt covenants requires the company to maintain a leverage ratio (as defined) of no greater than 5 times on December 31, 2016, which changes to 4 times at December 31, 2017. As of March 31, 2017, the amounts disclosed as available under the company's long-term multi-currency committed revolving facilities, the short-term uncommitted credit facilities and the unsecured, committed bridge loan agreement, are available without violating our existing debt covenants. Additional details about our debt are available in Note 12 accompanying the unaudited condensed consolidated financial statements within Item 1 of this report.

CONTINGENCIES, INDEMNIFICATIONS AND GUARANTEES

Details about the company's contingencies, indemnifications and guarantees are available in Notes 18 and 19 accompanying the unaudited condensed consolidated financial statements included within Item 1 of this report. The company is routinely subject to litigation incident to operating its businesses, and has been designated by various federal and state environmental agencies as a potentially responsible party, along with numerous other companies, for the cleanup of several hazardous waste sites, including in respect of sites related to alleged activities of certain Rexam subsidiaries. The company believes the matters identified will not have a material adverse effect upon the liquidity, results of operations or financial condition of the company. Details of the company’s legal proceedings are included in Note 18 to the consolidated financial statements within Item 8 of this annual report.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In the ordinary course of business, the company employs established risk management policies and procedures, which seek to reduce our exposure to fluctuations in commodity prices, interest rates, exchange currencies and prices of the company’s common stock in regard to common share repurchases and the company’s deferred compensation stock plan, although there can be no assurance that these policies and procedures will be successful. The company mitigates its exposure by spreading the risk among various counterparties, thus limiting exposure with any one party. The company also monitors the credit ratings of its suppliers, customers, lenders and counterparties on a regular basis. Further details are available in Item 7A within Ball’s 2016 annual report filed on March 2, 2017, and in Note 17 accompanying the unaudited condensed consolidated financial statements included within Item 1 of this report.

In November 2016, Egypt’s central bank elected to allow their currency, the Egyptian Pound, to float more freely in the market resulting in a devaluation of the Egyptian Pound from 8.9 to approximately 17 per U.S. Dollar, an approximate 90 percent devaluation. The currency market for the Egyptian pound continues to be volatile and the actual impact that will be recorded in the company’s results and will change based on the movement in the exchange rate and changes in the ongoing business activities.

Item 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Ball Corporation has established disclosure controls and procedures to ensure that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms, and that such information is accumulated and communicated to management of the company, including its Chief Executive Officer (CEO) and Chief Financial Officer (CFO), as appropriate to allow timely decisions regarding required disclosure.

Ball Corporation, under the supervision of the CEO and CFO of the company, has conducted an evaluation of the effectiveness of the design and operation of the company’s disclosure controls and procedures as of the end of the period covered by this Form 10-Q. Based on this evaluation, the CEO and the CFO have concluded that our disclosure controls and procedures were not effective because of the material weakness described in item 9A of our Annual Report on Form 10-K for the year ended December 31, 2016 which continued to exist as of March 31, 2017.

Management has concluded that, notwithstanding the material weakness described above, the company’s unaudited condensed consolidated financial statements in this Form 10-Q fairly stated, in all material respects, our financial position, results of operations and cash flows as of the dates, and for the periods presented, in conformity with U.S. GAAP.

Due to the timing of our acquisition of Rexam, we will exclude their operations as we continue to evaluate the internal controls over financial reporting. This exclusion is in accordance with general guidance issued by the Staff of the Securities and Exchange Commission that an assessment of a recent business combination may be omitted from management’s report on internal control over financial reporting in the first year of consolidation.

Inherent Limitations of Internal Controls

Our management, including the CEO and CFO, believes that any disclosure controls and procedures or internal controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of internal control are met. Further, the design of internal controls must consider the benefits of controls relative to their costs. Inherent limitations within internal controls include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of controls. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with associated policies or procedures. While the objective of the design of any system of controls is to provide reasonable assurance of the effectiveness of controls, such design is also based in part upon certain assumptions about the likelihood of future events, and such assumptions, while reasonable, may not take into account all potential future conditions. Thus, even effective internal control over financial reporting can only provide reasonable assurance of achieving their objectives. Therefore, because of the inherent limitations in cost effective internal controls, misstatements due to error or fraud may occur and may not be prevented or detected.

Remediation Plan for Material Weakness

During the first quarter of 2017, our management, with the oversight of the Audit Committee of our Board of Directors, has been engaged in efforts to remediate the material weakness identified. While certain remedial actions are in process, further control design changes are necessary. Management continues to actively plan for and implement additional control procedures to address any future transactions that meet these criteria. The remediation efforts taken in 2017, outlined below, are intended to both address the identified material weaknesses and enhance our overall financial control environment.

- Enhance our income tax controls to include specific activities to assess basis differences in reporting units where the currency utilized for local tax purposes differs from the reporting unit's functional currency.

  Remediation Activity
  Management will conduct a review of all locations where the currency utilized for local tax purposes differs from the reporting unit's functional currency under US GAAP and will prepare an inventory of all significant basis differences resulting from currency fluctuations that could be realizable through significant and unusual/infrequent transactions.

- Ensure that statutory tax provisions are completed and reviewed timely.

  Remediation Activity
  Management has designed a new control to ensure that statutory tax provisions are completed and reviewed timely following significant, unusual and/or infrequent transactions.

- Add additional reviews and approvals of the quarterly effective tax rate calculations with regard to significant, unusual or significant, infrequently occurring transactions to ensure such discrete tax items are appropriately identified and accounted for accurately.

  Remediation Activity
  Beginning quarter ended March 31, 2017, we have implemented enhanced control procedures, including additional reviews and approvals, over our quarterly effective tax rate calculation. This includes additional scrutiny over significant and unusual/infrequently occurring transactions that may cause discrete tax matters.

- Enhance the company's tax accounting resources.

  Remediation Activity
  Management is currently in the process of assessing its needs and evaluating the appropriate combination of personnel and technology required to address the remediation activities outlined above.

The material weakness will not be considered fully remediated until the applicable remedial controls have been designed and implemented and operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively.

We are designing and implementing the measures described above with the goal of remediation of the control deficiencies we have identified and strengthening our internal control over financial reporting. Management is committed to continuous improvement of the company's internal control over financial reporting and will continue to diligently review the company's internal control over financial reporting. As management continues to evaluate and work to improve internal control over financial reporting, the company may determine to take additional measures to address control deficiencies or determine to modify certain of the remediation measures described above.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting during the company’s first three months ended March 31, 2017 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

FORWARD-LOOKING STATEMENTS

This report contains “forward-looking” statements concerning future events and financial performance. Words such as “expects,” “anticipates,” “estimates,” “believes,” “targets,” “likely” and similar expressions typically identify forward-looking statements, which are generally any statements other than statements of historical fact. Such statements are based on current expectations or views of the future and are subject to risks and uncertainties, which could cause actual results or events to differ materially from those expressed or implied. Readers of this report should therefore not place undue reliance upon any forward-looking statements and any of such statements should be read in conjunction with, and, qualified in their entirety by, the cautionary statements referenced below. The company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Key factors, risks and uncertainties that could cause actual outcomes and results to be different are summarized in filings with the Securities and Exchange Commission, including Exhibit 99 in our Form 10-K, which are available on our website and at www.sec.gov. Some factors that could cause the company’s actual results or outcomes to differ materially from those discussed include, but are not limited to the following: a) in our packaging segments: product demand fluctuations; availability/cost of raw materials; competitive packaging, pricing and substitution; changes in climate and weather; competitive activity; failure to achieve synergies, productivity improvements or cost reductions; mandatory deposit or other restrictive packaging laws; customer and supplier consolidation, power and supply chain influence; changes in major customer or supplier contracts or a loss of a major customer or supplier; political instability and sanctions; currency controls; and changes in foreign exchange or tax rates; b) in our aerospace segment: funding, authorization, availability and returns of government and commercial contracts; and delays, extensions and technical uncertainties affecting segment contracts; c) in the company as a whole, those listed plus: changes in senior management; regulatory action or issues including tax, environmental, health and workplace safety, including U.S. FDA and other actions or public concerns affecting products filled in our containers, or chemicals or substances used in raw materials or in the manufacturing process; technological developments and innovations; litigation; strikes; labor cost changes; rates of return on assets of the company's defined benefit retirement plans; pension changes; uncertainties surrounding geopolitical events and governmental policies both in the U.S. and in other countries, including the U.S. government elections, budget, sequestration and debt limit; reduced cash flow; ability to achieve cost-out initiatives and synergies; interest rates affecting our debt; and successful or unsuccessful acquisitions and divestitures, including with respect to the Rexam PLC acquisition and its integration, or the associated divestiture; the effect of the acquisition or the divestiture on our business relationships, operating results and business generally.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

There were no events required to be reported under Item 1 for the quarter ended March 31, 2017, except as discussed in Note 18 to the unaudited condensed consolidated financial statements within Part I, Item 1 within this report.

Item 1A. Risk Factors

Risk factors affecting the company can be found within Item 1A of the company's Annual Report on Form 10-K (annual report) for the year ended December 31, 2016.

Item 2. Changes in Securities

The following table summarizes the company's repurchases of its common stock during the quarter ended March 31, 2017.

Purchases of Securities

($ in millions)	Total Number of Shares Purchased (a)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (a)	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs (b)
January 1 to January 31, 2017	—	$ —	—	10,358,915
February 1 to February 28, 2017	34,378	75.16	34,378	10,324,537
March 1 to March 31, 2017	—	—	—	10,324,537
Total	34,378	$ 75.16	34,378	

(a) *Includes open market purchases (on a trade-date basis), share repurchase agreements and/or shares retained by the company to settle employee withholding tax liabilities. These amounts do not include the company's approved two-for-one stock split which will be effective May 16, 2017.*

(b) *The company has an ongoing repurchase program for which shares are authorized from time to time by Ball's board of directors. These amounts do not include the company's approved two-for-one stock split which will be effective May 16, 2017.*

Item 3. Defaults Upon Senior Securities

There were no events required to be reported under Item 3 for the quarter ended March 31, 2017.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

There were no events required to be reported under Item 5 for the quarter ended March 31, 2017.

Item 6. Exhibits

10.1	Ball Corporation 2017 Deferred Compensation Company Stock Plan for Directors, effective April 2, 2017.
31.1	Certification pursuant to Rule 13a-14(a) or Rule 15d-14(a) by John A. Hayes, Chairman, President and Chief Executive Officer of Ball Corporation.
31.2	Certification pursuant to Rule 13a-14(a) or Rule 15d-14(a) by Scott C. Morrison, Senior Vice President and Chief Financial Officer of Ball Corporation.
32.1	Certification pursuant to Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code by John A. Hayes, Chairman, President and Chief Executive Officer of Ball Corporation.
32.2	Certification pursuant to Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code by Scott C. Morrison, Senior Vice President and Chief Financial Officer of Ball Corporation.
99	Cautionary statement for purposes of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, as amended.
101	The following materials from the company's quarterly report on Form 10-Q for the quarter ended March 31, 2017, formatted in XBRL (Extensible Business Reporting Language): (i) the Unaudited Condensed Consolidated Statement of Earnings, (ii) the Unaudited Statement of Comprehensive Earnings, (iii) the Unaudited Condensed Consolidated Balance Sheet, (iv) the Unaudited Condensed Consolidated Statement of Cash Flows, and (v) Notes to the Unaudited Condensed Consolidated Financial Statements.

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/ Scott C. Morrison
Scott C. Morrison
Senior Vice President and Chief Financial Officer

Date: May 5, 2017

Ball Corporation and Subsidiaries
QUARTERLY REPORT ON FORM 10-Q
March 31, 2017

EXHIBIT INDEX

Description	Exhibit
Ball Corporation 2017 Deferred Compensation Company Stock Plan for Directors, effective April 2, 2017 (Filed herewith.)	EX-10.1
Certification pursuant to Rule 13a-14(a) or Rule 15d-14(a) by John A. Hayes, Chairman, President and Chief Executive Officer of Ball Corporation (Filed herewith.)	EX-31.1
Certification pursuant to Rule 13a-14(a) or Rule 15d-14(a) by Scott C. Morrison, Senior Vice President and Chief Financial Officer of Ball Corporation (Filed herewith.)	EX-31.2
Certification pursuant to Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code by John A. Hayes, Chairman, President and Chief Executive Officer of Ball Corporation (Furnished herewith.)	EX-32.1
Certification pursuant to Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code by Scott C. Morrison, Senior Vice President and Chief Financial Officer of Ball Corporation (Furnished herewith.)	EX-32.2
Cautionary statement for purposes of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, as amended. (Filed herewith.)	EX-99
The following materials from the company's quarterly report on Form 10-Q for the quarter ended March 31, 2017, formatted in XBRL (Extensible Business Reporting Language): (i) the Unaudited Condensed Consolidated Statement of Earnings, (ii) the Unaudited Statement of Comprehensive Earnings, (iii) the Unaudited Condensed Consolidated Balance Sheet, (iv) the Unaudited Condensed Consolidated Statement of Cash Flows, and (v) Notes to the Unaudited Condensed Consolidated Financial Statements (Filed herewith.)	EX-101

Exhibit 10.1

BALL CORPORATION
2017 DEFERRED COMPENSATION
COMPANY STOCK PLAN FOR DIRECTORS

EFFECTIVE APRIL 1, 2017

Ball Corporation Directors' Deferred Compensation Company Stock Plan

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Ball Corporation Directors’ Deferred Compensation Company Stock Plan

ARTICLE I

Establishment and Purpose

Ball Corporation (the “Company”) hereby establishes the 2017 Deferred Compensation Company Stock Plan for Directors (the “Plan”), effective April 1, 2017. The Plan applies to deferred restricted stock units granted after April 1, 2017 and other forms of deferred Compensation earned on and after January 1, 2018. Amounts other than restricted stock units earned and deferred by Directors prior to January 1, 2018 under the terms of the Ball Corporation 2005 Deferred Compensation Company Stock Plan (the “2005 Plan”) shall continue to be paid in accordance with 2005 Plan.

The purpose of the Plan is to attract and retain non-employee Directors by providing Participants with an opportunity to defer receipt of their Annual Fixed Retainer, Annual Incentive Retainer and restricted stock unit awards and other cash or equity-based compensation specified by the Human Resources Committee of the Board of Directors. The Plan is not intended to meet the qualification requirements of Code Section 401(a), but is intended to meet the requirements of Code Section 409A, and shall be operated and interpreted consistent with that intent.

The Plan constitutes an unsecured promise by the Company (or its Affiliates) to pay benefits in the future. Participants in the Plan shall have the status of general unsecured creditors of the Company or its Affiliates. The Plan is unfunded for federal tax purposes. Any amounts set aside to defray the liabilities assumed by the Company will remain the general assets of the Company and shall remain subject to the claims of the Company’s creditors until such amounts are distributed to the Participants.

ARTICLE II

Definitions

2.1 Account. Account means a bookkeeping account maintained by the Plan Administrator to record the payment obligation of the Company to a Participant as determined under the terms of the Plan. The Plan Administrator may maintain an Account to record the total obligation to a Participant and component Accounts to reflect amounts payable at different times and in different forms pursuant to the terms of a Participant’s Compensation Deferral Agreement(s). Reference to an Account means any such Account established by the Plan Administrator, as the context requires.

2.2 Account Balance. Account Balance means, with respect to any Account, the total payment obligation owed to a Participant from such Account as of the most recent Valuation Date.

2.3 Affiliate. Affiliate means a corporation, trade or business that, together with the Company, is treated as a single employer under Code Section 414(b) or (c).

2.4 Beneficiary. Beneficiary means a natural person, estate, or trust designated by a Participant to receive payments to which a Beneficiary is entitled in accordance with provisions of the Plan. The Participant’s spouse, if living, otherwise the Participant’s estate, shall be the Beneficiary if: (i) the Participant has failed to properly designate a Beneficiary, or (ii) all designated Beneficiaries have predeceased the Participant.

A former spouse shall have no interest under the Plan, as Beneficiary or otherwise, unless the Participant designates such person as a Beneficiary after dissolution of the marriage, except to the extent provided under the terms of a domestic relations order as described in Code Section 414(p)(1)(B).

2.5 Business Day. Business Day means each day on which the New York Stock Exchange is open for business.

2.6 Change in Control. Change in Control means any of the following events: (i) a change in the ownership of the Company, (ii) a change in the effective control of the Company, or (iii) a change in the ownership of a substantial portion of the assets of the Company.

For purposes of this Section, a change in the ownership of the Company occurs on the date on which any one person, or more than one person acting as a group, acquires ownership of stock of the Company that, together with stock held by such person or group constitutes more than 50% of the total fair market value or total voting power of the stock of the Company. A change in the effective control of the Company occurs on the date on which either: (i) a person, or more than one person acting as a group, acquires ownership of stock of the Company possessing 30% or more of the total voting power of the stock of the Company, taking into account all such stock acquired during the 12-month period ending on the date of the most recent acquisition, or (ii) a majority of the members of the Company’s Board of Directors is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of such Board of Directors prior to the date of the appointment or election, but only if no other corporation is a majority shareholder of the Company. A change in the ownership of a substantial portion of assets occurs on the date on which any one person, or more than one person acting as a group, other than a person or group of persons that is related to the Company, acquires assets from the Company that have a total gross fair market value equal to or more than 40% of the total gross fair market value of all of the assets of the Company immediately prior to such acquisition or acquisitions, taking into account all such assets acquired during the 12-month period ending on the date of the most recent acquisition.

An event constitutes a Change in Control with respect to a Participant only if the Participant performs services for the Company or Affiliate that has experienced the Change in Control, or the Participant’s relationship to the Company or Affiliate otherwise satisfies the requirements of Treasury Regulation Section 1.409A-3(i)(5)(ii).

The determination as to the occurrence of a Change in Control shall be based on objective facts and in accordance with the requirements of Code Section 409A.

2.7 Claimant. Claimant means a Participant or Beneficiary filing a claim under Article XII of this Plan.

2.8 Code. Code means the Internal Revenue Code of 1986, as amended from time to time.

2.9 Code Section 409A. Code Section 409A means section 409A of the Code, and regulations and other guidance issued by the Treasury Department and Internal Revenue Service thereunder.

2.10 Committee. Committee means the Human Resources Committee ("HR Committee") of the Board of Directors of the Company.

2.11 Company. Company means Ball Corporation.

2.12 Company Contribution. Company Contribution means a credit by the Company to a Participant's Account(s) in accordance with the provisions of Article V of the Plan. Company Contributions are credited at the sole discretion of the Company and the fact that a Company Contribution is credited in one year shall not obligate the Company to continue to make such Company Contribution in subsequent years. Unless the context clearly indicates otherwise, a reference to Company Contribution shall include Earnings attributable to such contribution.

2.13 Company Stock. Company Stock means common stock of Ball Corporation.

2.14 Compensation. Compensation means the Annual Fixed Retainer, the Annual Incentive Retainer, restricted stock unit awards and other compensation for services performed as a Director approved by the Committee as Compensation that may be deferred under this Plan. Compensation shall not include any compensation that has been previously deferred under this Plan or any other arrangement subject to Code Section 409A.

2.15 Compensation Deferral Agreement. Compensation Deferral Agreement means an agreement between a Participant and the Company that specifies: (i) the amount of each component of Compensation that the Participant has elected to defer to the Plan in accordance with the provisions of Article IV, and (ii) the Payment Schedule applicable to one or more Accounts. The Plan Administrator may permit different deferral amounts for each component of Compensation and may establish a minimum or maximum deferral amount for each such component.

2.16 Death Benefit. Death Benefit means the benefit payable under the Plan to a Participant's Beneficiary(ies) upon the Participant's death as provided in Section 6.1 of the Plan.

2.17 Deferral. Deferral means a credit to a Participant's Account(s) that records that portion of the Participant's Compensation that the Participant has elected to defer to the Plan in accordance with the provisions of Article IV. Unless the context of the Plan clearly indicates otherwise, a reference to Deferrals includes Earnings attributable to such Deferrals.

2.18 Director. Director means a non-employee member of the Board of Directors of the Company.

2.19 Earnings. Earnings means a positive or negative adjustment to the value of an Account, based upon the allocation of the Account by the Participant among deemed investment options in accordance with Article VIII.

2.20 Effective Date. Effective Date means April 1, 2017.

2.21 Fair Market Value of Ball Stock. Fair Market Value of Ball Stock means the closing price on the New York Stock Exchange Composite Listing of shares of common stock of Ball Corporation.

2.22 Participant. Participant means a Director who has received notification of his or her eligibility to defer Compensation under the Plan under Section 3.1. A Participant includes any person with an Account Balance greater than zero, regardless of whether such individual continues to be a Director. A Participant's continued participation in the Plan shall be governed by Section 3.2 of the Plan.

2.23 Payment Schedule. Payment Schedule means the date as of which payment of an Account under the Plan will commence and the form in which payment of such Account will be made.

2.24 Performance-Based Compensation. Performance-Based Compensation means Compensation where the amount of, or entitlement to, the Compensation is contingent on the satisfaction of pre-established organizational or individual performance criteria relating to a performance period of at least 12 consecutive months. Organizational or individual performance criteria are considered pre-established if established in writing by not later than 90 days after the commencement of the period of service to which the criteria relate, provided that the outcome is substantially uncertain at the time the criteria are established. The determination of whether Compensation qualifies as "Performance-Based Compensation" will be made in accordance with Treas. Reg. Section 1.409A-1(e) and subsequent guidance.

2.25 Plan. Generally, the term Plan means the "Ball Corporation 2017 Deferred Compensation Company Stock Plan for Directors" as documented herein and as may be amended from time to time hereafter. However, to the extent permitted or required under Code Section 409A, the term Plan may in the appropriate context also mean a portion of the Plan that is treated as a single plan under Treas. Reg. Section 1.409A-1(c), or the Plan or portion of the Plan and any other nonqualified deferred compensation plan or portion thereof that is treated as a single plan under such section.

2.26 Plan Administrator. Plan Administrator means the Deferred Compensation Committee of the Company.

2.27 Plan Year. Plan Year means January 1 through December 31.

2.28 Separation Account. Separation Account means an Account established by the Plan Administrator to record the amounts payable to a Participant upon Separation from Service. A Participant may establish and maintain no more than the maximum number of Separation Accounts specified by the Plan Administrator.

2.29 Separation from Service. Separation from Service means a Director's termination of service with the Board of Directors, including a separation resulting from the Director's death. Whether a Separation from Service has occurred shall be determined by the Plan Administrator in accordance with Code Section 409A.

2.30 Separation from Service Benefit. Separation from Service Benefit means the benefit payable under the Plan in accordance with Section 6.1(a).

2.31 Substantial Risk of Forfeiture. Substantial Risk of Forfeiture means the description specified in Treas. Reg. Section 1.409A-1(d).

2.32 Unforeseeable Emergency. Unforeseeable Emergency means a severe financial hardship to the Participant resulting from an illness or accident of the Participant, the Participant's spouse, the Participant's dependent (as defined in Code section 152, without regard to section 152(b)(1), (b)(2), and (d)(1)(B)), or a Beneficiary; loss of the Participant's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by insurance, for example, as a result of a natural disaster); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. The types of events which may qualify as an Unforeseeable Emergency may be limited by the Plan Administrator.

2.33 Valuation Date. Valuation Date means each Business Day selected by the Plan Administrator, in its discretion, for determining the value of an Account.

ARTICLE III

Eligibility and Participation

3.1 Eligibility and Participation. A Director becomes a Participant upon the earlier to occur of: (i) a credit of Company Contributions under Article V, or (ii) receipt of notification of eligibility to participate.

3.2 Duration. A Participant shall be eligible to defer Compensation and receive allocations of Company Contributions, subject to the terms of the Plan, for as long as such Participant remains a Director. On and after a Separation from Service, a Participant shall remain a

Participant as long as his or her Account Balance is greater than zero (0), and during such time may continue to make modification elections under Article VII. An individual shall cease being a Participant in the Plan when all benefits under the Plan to which he or she is entitled have been paid.

ARTICLE IV

Deferrals

4.1 Deferral Elections, Generally.

(a) A Participant may elect to defer Compensation by submitting a Compensation Deferral Agreement during the enrollment periods established by the Plan Administrator and in the manner specified by the Plan Administrator, but in any event, in accordance with Section 4.2. A Compensation Deferral Agreement that is not timely filed with respect to a service period or component of Compensation shall be considered void and shall have no effect with respect to such service period or Compensation. The Committee (or the Plan Administrator, if such authority is delegated) may modify any Compensation Deferral Agreement prior to the date the election becomes irrevocable under the rules of Section 4.2.

(b) The Participant shall specify on his or her Compensation Deferral Agreement the amount of Deferrals and the allocation to one or more Separation Accounts. If no designation is made, Deferrals shall be allocated to the Separation Account with the shortest Payment Schedule in effect at the time the election is made. If no Separation Account exists, the Plan Administrator will establish a Separation Account with a payment commencement date in the year following Separation from Service under Section 6.1(a) and the Payment Schedule specified in Section 6.2(a). A Participant may also specify in his or her Compensation Deferral Agreement the Payment Schedule applicable to his or her Plan Accounts. If the Payment Schedule is not specified in a Compensation Deferral Agreement, the Payment Schedule shall be the Payment Schedule specified in Section 6.2.

4.2 Timing Requirements for Compensation Deferral Agreements.

(a) *First Year of Eligibility.* In the case of the first year in which a Director becomes eligible to participate in the Plan, he or she has up to 30 days following his or her initial eligibility to submit a Compensation Deferral Agreement with respect to Compensation to be earned during such year. The Compensation Deferral Agreement described in this paragraph becomes irrevocable upon the end of such 30-day period. The determination of whether a Director may file a Compensation Deferral Agreement under this paragraph shall be determined in accordance with the rules of Code Section 409A, including the provisions of Treas. Reg. Section 1.409A-2(a)(7).

A Compensation Deferral Agreement filed under this paragraph applies to Compensation earned on and after the date the Compensation Deferral Agreement becomes irrevocable.

(b) *Prior Year Election.* Except as otherwise provided in this Section 4.2, Participants may defer Compensation by filing a Compensation Deferral Agreement no later than December 31 of the year prior to the year in which the Compensation to be deferred is earned. A Compensation Deferral Agreement described in this paragraph shall become irrevocable with respect to such Compensation as of the last day for filing such election.

(c) *Performance-Based Compensation.* Participants may file a Compensation Deferral Agreement with respect to Performance-Based Compensation no later than the date that is six months before the end of the performance period, provided that:

(i) the Participant performs services continuously from the later of the beginning of the performance period or the date the criteria are established through the date the Compensation Deferral Agreement is submitted; and
(ii) the Compensation is not readily ascertainable as of the date the Compensation Deferral Agreement is filed.

A Compensation Deferral Agreement becomes irrevocable with respect to Performance-Based Compensation as of the last day for filing such election. Any election to defer Performance-Based Compensation that is made in accordance with this paragraph and that becomes payable as a result of the Participant's death or disability (as defined in Treas. Reg. Section 1.409A-1(e)) or upon a Change in Control (as defined in Treas. Reg. Section 1.409A-3(i)(5)) prior to the satisfaction of the performance criteria, will be void.

(d) *Certain Forfeitable Rights.* With respect to a legally binding right to a payment in a subsequent year that is subject to a forfeiture condition requiring the Participant's continued services for a period of at least 12 months from the date the Participant obtains the legally binding right, an election to defer such Compensation may be made on or before the 30th day after the Participant obtains the legally binding right to the Compensation, provided that the election is made at least 12 months in advance of the earliest date at which the forfeiture condition could lapse. The Compensation Deferral Agreement described in this paragraph becomes irrevocable on such 30th day. If the forfeiture condition applicable to the payment lapses before the end of the required service period as a result of the Participant's death or disability (as defined in Treas. Reg. Section 1.409A-3(i)(4)) or upon a Change in Control (as defined in Treas. Reg. Section 1.409A-3(i)(5)), the Compensation Deferral Agreement will be void unless it would be considered timely under another rule described in this Section.

(e) *Company Awards.* The Company may unilaterally provide for deferrals of Company awards prior to the date of such awards.

(f) *"Evergreen" Deferral Elections.* The Plan Administrator, in its discretion, may provide in the Compensation Deferral Agreement that such Compensation Deferral Agreement will continue in effect for each subsequent year or performance period. Such "evergreen" Compensation Deferral Agreements will become effective with respect to an item of Compensation on the date such election becomes irrevocable under this Section 4.2. An evergreen Compensation Deferral Agreement may be terminated or modified prospectively with respect to Compensation for which such election remains revocable under this Section 4.2. A Participant whose Compensation Deferral Agreement is cancelled in accordance with Section 4.5 will be required to file a new Compensation Deferral Agreement under this Article IV in order to recommence Deferrals under the Plan.

4.3 Allocation of Deferrals. A Compensation Deferral Agreement may allocate Deferrals to one or more Separation Accounts.

4.4 Deductions from Pay. The Plan Administrator has the authority to determine the administrative practices under which any component of Compensation subject to a Compensation Deferral Agreement will be deducted from a Participant's Compensation.

4.5 Cancellation of Deferrals. The Plan Administrator may cancel a Participant's Deferrals: (i) for the balance of the Plan Year in which an Unforeseeable Emergency occurs and (ii) during periods in which the Participant is unable to perform the duties of his or her position or any substantially similar position due to a mental or physical impairment that can be expected to result in death or last for a continuous period of at least six months, provided cancellation occurs by the later of the end of the taxable year of the Participant or the 15th day of the third month following the date the Participant incurs the disability (as defined in this paragraph). In the event a Participant receives a voluntary withdrawal from a Grandfathered Plan, the Participant shall not be permitted to make Deferrals to the Plan in the Plan Year following the Plan Year in which the withdrawal is made.

ARTICLE V

Company Contributions

5.1 Discretionary Company Contributions. The Committee may, from time to time in its sole and absolute discretion, credit Company Contributions to any Participant Account in any amount determined by the Committee. A Company Contribution may be made at any time during the calendar year and may consist of "matching" contributions. The Committee or its delegate shall be under no obligation to make contributions to the Plan unless the Company has entered into a separate agreement (such as an employment agreement) to make such contributions.

5.2 Vesting. Company Contributions described in Section 5.1 above, and the Earnings thereon, shall vest in accordance with the vesting schedule(s) established by the Plan Administrator at the time that the Company Contribution is made. The Plan Administrator may, at any time, in its sole discretion, increase a Participant's vested interest in a Company Contribution or restore any forfeiture. Notwithstanding the foregoing, any increase in the vested interest of a Participant subject to SEC Rule 16b shall be approved by the Committee.

The portion of a Participant's Accounts that remains unvested upon his or her Separation from Service after the application of the terms of this Section 5.2 shall be forfeited.

ARTICLE VI

Benefits

6.1 Benefits, Generally. A Participant shall be entitled to the following payments under the Plan:

(a) *Separation Benefit.* Upon the Participant's Separation from Service he or she will receive a Separation Benefit. The Separation Benefit is the vested portion of each Separation Account, determined on the last day of the month preceding the date payments commence. The payment commencement date is (i) January 1 of the year following Separation from Service if Separation from Service occurred on or before June 30 of such year (ii) July 1 of the year following the year in which separation from Service occurred on or after July 1 and on or before December 31 or (iii) January 1 of the second or later year following Separation from Service designated by the Participant in his or her Compensation Deferral Agreement that established a Separation Account (or under the modification rules under Article VII). The payment date in the preceding sentence is the first day Separation Benefits become payable under the Plan. The Plan Administrator expects to make actual payment in February with respect to amounts payable on January 1 and August for amounts payable on July 1, and may change the valuation date accordingly.

(b) *Payments Upon Death.* Notwithstanding the provisions of Section 6.1(a), in the event of Separation from Service due to a Participant's death, payments to the Participant's designated Beneficiary will commence in the calendar year next following the Participant's death, not later than December 31 of such year. The Plan Administrator expects to make actual payment after all Deferrals have been properly credited to the Participant's Accounts and valued as of the last day of the preceding month.

(c) *Unforeseeable Emergency Payments.* A Participant who experiences an Unforeseeable Emergency may submit a written request to the Plan Administrator to receive payment of all or any portion of his or her vested Accounts. Whether a Participant or Beneficiary is faced with an Unforeseeable Emergency permitting an emergency payment shall be determined by the Plan Administrator based on the relevant facts and circumstances of each case, but, in any case, a distribution on account of Unforeseeable Emergency may not be made to the extent that such emergency is or may be reimbursed through insurance or otherwise, by liquidation of the Participant's assets, to the extent the liquidation of such assets would not cause severe financial hardship, or by cessation of Deferrals under this Plan. If an emergency payment is approved by the Plan Administrator, the amount of the payment shall not exceed the amount reasonably necessary to satisfy the need, taking into account the additional compensation that is available to the Participant as the result of cancellation of deferrals to the Plan, including amounts necessary to pay any taxes or penalties that the Participant reasonably anticipates will result from the payment. The amount of the emergency payment shall be subtracted from the vested portion of the Participant's Separation Accounts, beginning with the Separation Account with the latest Payment Schedule. Emergency payments shall be paid in a single lump sum within the 90-day period following the date the payment is approved by the Plan Administrator.

6.2 Form of Payment.

(a) *Separation Benefit.* A Participant's Separation Accounts are payable in a single lump sum, unless the Participant elects on his or her initial Compensation Deferral Agreement that establishes a Separation Account (or a subsequent election under Article VII) to have such Account paid in (i) annual installments over a period of two to fifteen years, as elected by the Participant, or (ii) a lump sum payment of a percentage of the balance in the Separation Account, with the balance paid in annual installments over a period of two to fifteen years, as elected by the Participant. The Participant may further designate in his or her Compensation Deferral Agreement to commence receiving installments under option (ii) in a subsequent year (for example, the third anniversary of the lump sum payment).

(b) *Death Benefit.* Payments from a Participant's Accounts upon death will be made according the Payment Schedules in effect for such Accounts as described in Section 6.2(a). In the event a Beneficiary is entitled to or is receiving a Death Benefit, but dies prior to receiving all payments with respect to such a Death Benefit, the remaining Death Benefit will be paid to the Beneficiary's estate in a single lump sum.

(c) *Small Account Balances.* Notwithstanding any Participant election or other provisions of the Plan, a Participant's Accounts will be paid in a single lump sum if, upon the commencement of his or her Separation Benefit or payments upon death, the combined value of his or her Accounts is not greater than $25,000.

(d) *Rules Applicable to Installment Payments.* If a Payment Schedule specifies installment payments, annual payments will be made beginning as of the payment commencement date for such installments and shall continue on each anniversary thereof until the number of installment payments specified in the Payment Schedule has been paid. The amount of each installment payment shall be determined by dividing the Account Balance as of the Valuation Date by the remaining number of installment payments.

For purposes of Article VII, installment payments will be treated as a single form of payment. If a lump sum equal to less than 100% of the Separation Account is paid, the payment commencement date for the installment form of payment will be the first anniversary of the payment of the lump sum, unless otherwise elected in the Participant's Compensation Deferral Agreement that established the account (subject to a subsequent modification under Article VII).

6.3 Acceleration of or Delay in Payments. The Plan Administrator, in its sole and absolute discretion, may elect to accelerate the time or form of payment of a benefit owed to the Participant hereunder, provided such acceleration is permitted under Treas. Reg. Section 1.409A-3(j)(4). The Plan Administrator may also, in its sole and absolute discretion, delay the time for payment of a benefit owed to the Participant hereunder, to the extent permitted under Treas. Reg. Section 1.409A-2(b)(7). If the Plan receives a domestic relations order (within the meaning of Code Section 414(p)(1)(B)) directing that all or a portion of a Participant's Accounts be paid to an "alternate payee," any amounts to be paid to the alternate payee(s) shall be paid in a single lump sum.

ARTICLE VII

Modifications to Payment Schedules

7.1 Participant's Right to Modify. A Participant may modify the Payment Schedule with respect to an Account, consistent with the permissible Payment Schedules available under the Plan, provided such modification complies with the requirements of this Article VII.

7.2 Time of Election. The date on which a modification election is submitted to the Plan Administrator must be at least 12 months prior to the date on which payment is scheduled to commence under the Payment Schedule in effect prior to the modification.

7.3 Date of Payment under Modified Payment Schedule. Except with respect to modifications that relate to the payment upon death, the date payments are to commence under the modified Payment Schedule must be no earlier than five years after the date payment would have commenced under the original Payment Schedule. Under no circumstances may a modification election result in an acceleration of payments in violation of Code Section 409A.

7.4 Effective Date. A modification election submitted in accordance with this Article VII is irrevocable upon receipt by the Plan Administrator and becomes effective 12 months after such date. Prior to the effective date, payment will be made in accordance with the Payment Schedule in effect prior to such modification.

7.5 Effect on Accounts. An election to modify a Payment Schedule is specific to the Account or payment event to which it applies, and shall not be construed to affect the Payment Schedules of any other Accounts.

ARTICLE VIII

Valuation of Account Balances; Investments

8.1 Crediting of Deferrals to Accounts

(a) *Crediting Deferrals and Dividends***.** Deferrals of annual incentive retainers (and any related matching contributions specified on Schedule A) shall be credited to the applicable Participant's Accounts as of the January 1 following the year in which services were performed. Deferrals pertaining to forms of Compensation other than annual incentive retainers shall be credited to the applicable Participant's Accounts as of the day such Compensation otherwise would have been paid. Dividend equivalents shall be credited to the applicable Participant Accounts based upon the record date and as of the payable date for determining dividends payable to shareholders of the Company.

(b) *Conversion to units.* Deferrals and dividend equivalents shall be converted to Company Stock as of the date such Deferrals and dividend equivalents are credited to the Participant's Accounts. The number of units of Company Stock is determined by dividing the cash value of the Deferral by the Fair Market Value of Ball Stock on the date the Deferral is credited under 8.1(a), above or, if such day is not a Business Day, the next preceding Business Day.

(c) If there is any change in the number or class of shares of common stock of Ball Corporation through the declaration of a stock dividend or other extraordinary dividends, or recapitalization resulting in stock splits, or combinations or exchanges of such shares or in the event of similar corporate transactions, the units of Company Stock in each Participant's Deferred Compensation Account shall be equitably adjusted to reflect any such change in the number or class of issued shares of Common Stock or to reflect such similar corporate transaction.

ARTICLE IX

Administration

9.1 Plan Administration. This Plan shall be administered by the Plan Administrator which shall have discretionary authority to make, amend, interpret and enforce all appropriate rules and regulations for the administration of this Plan and to utilize its discretion to decide or resolve any and all questions, including but not limited to eligibility for benefits and interpretations of this Plan and its terms, as may arise in connection with the Plan. Claims for benefits shall be filed with the Plan Administrator and resolved in accordance with the claims procedures in Article XII. The Plan Administrator may exercise such additional powers and authority as may be delegated to the Plan Administrator by the Committee and such powers as are conferred under the terms of the Plan.

9.2 Administration Upon Change in Control. Upon a Change in Control, the Committee, as constituted immediately prior to such Change in Control, shall act as the Plan Administrator.

Upon such Change in Control, the Company may not remove the Plan Administrator, unless 2/3rds of the members of the Board of Directors of the Company and a majority of Participants and Beneficiaries with Account Balances consent to the removal and replacement of the Plan Administrator. The individual who was the Chief Executive Officer of the Company (or if such person is unable or unwilling to act, the next highest ranking officer) prior to the Change in Control shall have the authority (but shall not be obligated) to appoint an independent third party to act as the Plan Administrator in lieu of the Committee. Notwithstanding the foregoing, neither the Plan Administrator nor the officer described above shall have authority to direct investment of trust assets under any rabbi trust described in Section 11.2.

The Company (including any successor organization) shall, with respect to the Plan Administrator identified under this Section: (i) pay all reasonable expenses and fees of the Plan Administrator, (ii) supply full and timely information to the Plan Administrator on all matters related to the Plan, any rabbi trust, Participants, Beneficiaries and Accounts as the Plan Administrator may reasonably require and (iii) provide the indemnification described in Section 9.4.

9.3 Withholding. The Company shall have the right to withhold from any payment due under the Plan (or with respect to any amounts credited to the Plan) any taxes required by law to be withheld in respect of such payment (or credit). Withholdings with respect to amounts credited to the Plan shall be deducted from Compensation that has not been deferred to the Plan.

9.4 Indemnification. The Company shall indemnify and hold harmless each employee, officer, director, agent or organization, to whom or to which are delegated duties, responsibilities, and authority under the Plan or otherwise with respect to administration of the Plan, including, without limitation, the Plan Administrator, including the individual members of the Deferred Compensation Committee, the HR Committee of the Board of Directors and their agents, against all claims, liabilities, fines and penalties, and all expenses reasonably incurred by or imposed upon him or her or it (including but not limited to reasonable attorneys' fees) which arise as a result of his or her or its actions or failure to act in connection with the operation and administration of the Plan to the extent lawfully allowable and to the extent that such claim, liability, fine, penalty, or expense is not paid for by liability insurance purchased or paid for by the Company. Notwithstanding the foregoing, the Company shall not indemnify any person or organization if his or her or its actions or failure to act are due to gross negligence or willful misconduct or for any such amount incurred through any settlement or compromise of any action unless the Company consents in writing to such settlement or compromise.

9.5 Delegation of Authority. In the administration of this Plan, the Plan Administrator may, from time to time, employ agents and delegate to them such administrative duties as it sees fit, and may from time to time consult with legal counsel who shall be legal counsel to the Company.

9.6 Binding Decisions or Actions. The decision or action of the Plan Administrator in respect of any question arising out of or in connection with the administration, interpretation and application of the Plan and the rules and regulations thereunder shall be final and conclusive and binding upon all persons having any interest in the Plan.

ARTICLE X

Amendment and Termination

10.1 Amendment and Termination. The Company, by action of the Committee, may at any time and from time to time amend the Plan or may terminate the Plan as provided in this Article X.

10.2 Amendments. The Company, by action taken by the Committee, may amend the Plan at any time and for any reason, provided that any such amendment shall not reduce the vested Account Balances of any Participant accrued as of the date of any such amendment or restatement (as if the Participant had incurred a voluntary Separation from Service on such date) or reduce any rights of a Participant under the Plan or other Plan features with respect to Deferrals made prior to the date of any such amendment or restatement without the consent of the Participant. The Committee may delegate to the Plan Administrator the authority to amend the Plan without the consent of the Board of Directors for the purpose of: (i) conforming the Plan to the requirements of law; (ii) facilitating the administration of the Plan; (iii) clarifying provisions based on the Plan Administrator's interpretation of the document; and (iv) making such other amendments as the Committee may authorize.

10.3 Termination. The Company, by action taken by the Committee, may terminate the Plan and pay Participants and Beneficiaries their Account Balances in a single lump sum at any time, to the extent and in accordance with Treas. Reg. Section 1.409A-3(j)(4)(ix). Prior to such lump sum payment, the benefits of affected Employees shall continue to be paid at the times provided in Article VI.

10.4 Accounts Taxable Under Code Section 409A. The Plan is intended to constitute a plan of deferred compensation that meets the requirements for deferral of income taxation under Code Section 409A. The Committee, pursuant to its authority to interpret the Plan, may sever from the Plan or any Compensation Deferral Agreement any provision or exercise of a right that otherwise would result in a violation of Code Section 409A.

ARTICLE XI

Informal Funding

11.1 General Assets. Obligations established under the terms of the Plan may be satisfied from the general funds of the Company (with respect to the Company's Employees or as agent for an Affiliate with respect to its Employees), or a trust described in this Article XI. No Participant, spouse or Beneficiary shall have any right, title or interest whatever in assets of the Company or an Affiliate. Nothing contained in this Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind, or a fiduciary relationship, between the Company or Affiliate and any Employee, spouse, or Beneficiary. To the extent that any person acquires a right to receive payments hereunder, such rights are no greater than the right of an unsecured general creditor of the Company or Affiliate.

11.2 Rabbi Trust. The Company may, in its sole discretion, establish a grantor trust, commonly known as a rabbi trust, as a vehicle for accumulating assets to pay benefits under the Plan. Payments under the Plan may be paid from the general assets of the Company or from the assets of any such rabbi trust. Payment from any such source shall reduce the obligation owed to the Participant or Beneficiary under the Plan.

ARTICLE XII

Claims

12.1 Filing a Claim. Any controversy or claim arising out of or relating to the Plan shall be filed in writing with the Plan Administrator which shall make all determinations concerning such claim. Any claim filed with the Plan Administrator and any decision by the Plan Administrator denying such claim shall be in writing and shall be delivered to the Participant or Beneficiary filing the claim (the "Claimant").

(a) *In General.* Notice of a denial of benefits will be provided within 90 days of the Plan Administrator's receipt of the Claimant's claim for benefits. If the Plan Administrator determines that it needs additional time to review the claim, the Plan Administrator will provide the Claimant with a notice of the extension before the end of the initial 90-day period. The extension will not be more than 90 days from the end of the initial 90-day period and the notice of extension will explain the special circumstances that require the extension and the date by which the Plan Administrator expects to make a decision.

(c) *Contents of Notice.* If a claim for benefits is completely or partially denied, notice of such denial shall be in writing and shall set forth the reasons for denial in plain language. The notice shall: (i) cite the pertinent provisions of the Plan document, and (ii) explain, where appropriate, how the Claimant can perfect the claim, including a description of any additional material or information necessary to complete the claim and why such material or information is necessary. The claim denial also shall include an explanation of the claims review procedures and the time limits applicable to such procedures.

12.2 Appeal of Denied Claims. A Claimant whose claim has been completely or partially denied shall be entitled to appeal the claim denial by filing a written appeal with the Plan Administrator. A Claimant who timely requests a review of the denied claim (or his or her authorized representative) may review, upon request and free of charge, copies of all documents, records and other information relevant to the denial and may submit written comments, documents, records and other information relevant to the claim to the Plan. All written comments, documents, records, and other information shall be considered "relevant" if the information: (i) was relied upon in making a benefits determination, (ii) was submitted, considered or generated in the course of making a benefits decision regardless of whether it was relied upon to make the decision, or (iii) demonstrates compliance with administrative processes and safeguards established for making benefit decisions. The Plan Administrator may, in its sole discretion and if it deems appropriate or necessary, decide to hold a hearing with respect to the claim appeal.

(a) *In General.* Appeal of a denied benefits claim must be filed in writing with the Plan Administrator no later than 60 days after receipt of the written notification of such claim denial. The Plan Administrator shall make its decision regarding the merits of the denied claim within 60 days following receipt of the appeal (or within 120 days after such receipt, in a case where there are special circumstances requiring extension of time for reviewing the appealed claim). If an extension of time for reviewing the appeal is required because of special circumstances, written notice of the extension shall be furnished to the Claimant prior to the commencement of the extension. The notice will indicate the special circumstances requiring the extension of time and the date by which the Plan Administrator expects to render the determination on review. The review will take into account comments, documents, records and other information submitted by the Claimant relating to the claim without regard to whether such information was submitted or considered in the initial benefit determination.

(b) *Contents of Notice.* If a benefits claim is completely or partially denied on review, notice of such denial shall be in writing and shall set forth the reasons for denial in plain language.

The decision on review shall set forth: (i) the specific reason or reasons for the denial, (ii) specific references to the pertinent Plan provisions on which the denial is based, (iii) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records, or other information relevant (as defined above) to the Claimant's claim, and (iv) a statement describing any voluntary appeal procedures offered by the plan.

12.3 <u>Claims Appeals Upon Change in Control.</u> Upon a Change in Control, the Plan Administrator, as constituted immediately prior to such Change in Control, shall continue to review appeals. Upon such Change in Control, the Company may not remove any member of the Plan Administrator, but may replace resigning members if 2/3rds of the members of the Board of Directors of the Company and a majority of Participants and Beneficiaries with Account Balances consent to the replacement.

The Plan Administrator shall have the exclusive authority at the appeals stage to interpret the terms of the Plan and resolve appeals under the Claims Procedure.

The Company shall, with respect to the Plan Administrator identified under this Section: (i) pay its proportionate share of all reasonable expenses and fees of the Plan Administrator, and (ii) supply full and timely information to the Plan Administrator on all matters related to the Plan, any rabbi trust, Participants, Beneficiaries and Accounts as the Plan Administrator may reasonably require and (iii) provide the indemnification described in Section 9.4.

12.4 <u>Legal Action.</u> A Claimant may not bring any legal action relating to a claim for benefits under the Plan unless and until the Claimant has followed the claims procedures under the Plan and exhausted his or her administrative remedies under such claims procedures.

If a Participant or Beneficiary prevails in a legal proceeding brought under the Plan to enforce the rights of such Participant or any other similarly situated Participant or Beneficiary, in whole or in part, the Company shall be liable for all legal costs, expenses, attorneys' fees and such other liabilities incurred as a result of such proceedings. If the legal proceeding is brought in connection with a Change in Control, or a "change in control" as defined in a rabbi trust described in Section 11.2, the Participant or Beneficiary may file a claim directly with the trustee for reimbursement of such costs, expenses and fees. For purposes of the preceding sentence, the amount of the claim shall be treated as if it were an addition to the Participant's or Beneficiary's Account Balance.

12.5 <u>Discretion of Plan Administrator.</u> All interpretations, determinations and decisions of the Plan Administrator with respect to any claim shall be made in its sole discretion, and shall be final and conclusive.

ARTICLE XIII

General Provisions

13.1 Assignment. No interest of any Participant, spouse or Beneficiary under this Plan and no benefit payable hereunder shall be assigned as security for a loan, and any such purported assignment shall be null, void and of no effect, nor shall any such interest or any such benefit be subject in any manner, either voluntarily or involuntarily, to anticipation, sale, transfer, assignment or encumbrance by or through any Participant, spouse or Beneficiary. Notwithstanding anything to the contrary herein, however, the Plan Administrator has the discretion to make payments to an alternate payee in accordance with the terms of a domestic relations order (as defined in Code Section 414(p)(1)(B)).

The Company or an Affiliate may assign any or all of its liabilities under this Plan in connection with any restructuring, recapitalization, sale of assets or other similar transactions affecting a Company without the consent of the Participant.

13.2 No Legal or Equitable Rights or Interest. No Participant or other person shall have any legal or equitable rights or interest in this Plan that are not expressly granted in this Plan. Participation in this Plan does not give any person any right to be retained in the service of the Company. The right and power of the Company to dismiss or discharge an Employee is expressly reserved. The Company makes no representations or warranties as to the tax consequences to a Participant or a Beneficiary resulting from a deferral of income pursuant to the Plan.

13.3 No Employment Contract. Nothing contained herein shall be construed to constitute a contract of employment between an Employee and the Company or its Affiliates.

13.4 Notice. Any notice or filing required or permitted to be delivered to the Plan Administrator under this Plan shall be delivered in writing, in person, or through such electronic means as is established by the Plan Administrator. Notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification. Written transmission shall be sent by certified mail to:

BALL CORPORATION
10 LONGS PEAK DRIVE
BROOMFIELD, CO 80021
ATTN: DEFERRED COMPENSATION PLAN ADMINISTRATOR

Any notice or filing required or permitted to be given to a Participant under this Plan shall be sufficient if in writing or hand-delivered, or sent by mail to the last known address of the Participant.

13.5 Headings. The headings of Sections are included solely for convenience of reference, and if there is any conflict between such headings and the text of this Plan, the text shall control.

13.6 Invalid or Unenforceable Provisions. If any provision of this Plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions hereof and the Plan Administrator may elect in its sole discretion to construe such invalid or unenforceable provisions in a manner that conforms to applicable law or as if such provisions, to the extent invalid or unenforceable, had not been included.

13.7 Lost Participants or Beneficiaries. Any Participant or Beneficiary who is entitled to a benefit from the Plan has the duty to keep the Plan Administrator advised of his or her current mailing address. If benefit payments are returned to the Plan or are not presented for payment after a reasonable amount of time, the Plan Administrator shall presume that the payee is missing. The Plan Administrator, after making such efforts as in its discretion it deems reasonable and appropriate to locate the payee, shall stop payment on any uncashed checks and may discontinue making future payments until contact with the payee is restored.

13.8 Facility of Payment to a Minor. If a distribution is to be made to a minor, or to a person who is otherwise incompetent, then the Plan Administrator may, in its discretion, make such distribution: (i) to the legal guardian, or if none, to a parent of a minor payee with whom the payee maintains his or her residence, or (ii) to the conservator or committee or, if none, to the person having custody of an incompetent payee. Any such distribution shall fully discharge the Plan Administrator, the Committee, the Company, and the Plan from further liability on account thereof.

13.9 Governing Law. To the extent not preempted by ERISA, the laws of the State of Indiana shall govern the construction and administration of the Plan.

IN WITNESS WHEREOF, the undersigned executed this Plan as of the 2nd day of May, 2017, to be effective as of the Effective Date.

Ball Corporation

By: Lisa Pauley (Print Name)

Its: SVP, Human Resources and Administration (Title)

/s/ Lisa Pauley (Signature)

Schedule A

Company Matching Contributions

Until modified by the Committee, the Company will credit Participant Accounts with an annual matching contribution at the rate of 20% of the amount of Deferrals up to $20,000 per Plan Year.

Matching contributions are 100% vested at all times.

Exhibit 31.1

Certification

I, John A. Hayes, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Ball Corporation;

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

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

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

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

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

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

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

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

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

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

Date: May 5, 2017

/s/ John A. Hayes
John A. Hayes
Chairman, President and Chief Executive Officer

Exhibit 31.2

Certification

I, Scott C. Morrison, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Ball Corporation;

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

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

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

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

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

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

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

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

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

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

Date: May 5, 2017

/s/ Scott C. Morrison
Scott C. Morrison
Senior Vice President and Chief Financial Officer

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

My name is John A. Hayes and I am the Chairman, President and Chief Executive Officer of Ball Corporation (the “Company”).

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

(1) the Quarterly Report on Form 10-Q for the quarter ended March 31, 2017, filed with the U.S. Securities and Exchange Commission on May 5, 2017 (“Report”), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 as amended; and

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

/s/ John A. Hayes
John A. Hayes
Chairman, President and Chief Executive Officer
Ball Corporation

Date: May 5, 2017

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

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

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

My name is Scott C. Morrison and I am the Senior Vice President and Chief Financial Officer of Ball Corporation (the “Company”).

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

(1) the Quarterly Report on Form 10-Q for the quarter ended March 31, 2017, filed with the U.S. Securities and Exchange Commission on May 5, 2017 (“Report”), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 as amended; and

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

/s/ Scott C. Morrison
Scott C. Morrison
Senior Vice President and Chief Financial Officer
Ball Corporation

Date: May 5, 2017

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

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

Exhibit 99

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

In connection with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 (the Reform Act), Ball is hereby filing cautionary statements identifying important factors that could cause Ball's actual results to differ materially from those described in forward-looking statements made by or on behalf of Ball. Forward-looking statements may be made in several different contexts; for example, in the company's Form 10-K, 10-Q, 8-K and other filings with the Securities and Exchange Commission ("SEC"), quarterly and annual earnings news releases, quarterly earnings conference calls hosted by the company, public presentations at investor and credit conferences, the company's Annual Report and in other periodic communications with investors. As time passes, the relevance and accuracy of forward-looking statements may change; however, except as required by law, the company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You are advised to consult any further disclosures and cautionary statements Ball makes on related subjects in our Form10-K, 10-Q and 8-K reports and other filings with the SEC. The Reform Act defines forward-looking statements as statements that express or imply an expectation or belief and contain a projection, plan or assumption with regard to, among other things, future revenues, income, earnings per share, cash flow or capital structure. Words such as "expects," "anticipates," "estimates," "believes," "targets," "likely," "foresees" and similar expressions typically identify forward-looking statements, which are generally any statements other than statements of historical facts. These forward-looking statements are not guarantees of future performance, and you should therefore not place undue reliance upon such statements. Rather, these statements involve estimates, assumptions uncertainties and known and unknown risks, many of which are outside our control, and such statements are therefore qualified in their entirety by reference to the following important factors, among others (including those described in any "Risk Factors" section of our most current Form 10-K, 10-Q or other filings with the SEC), that could cause Ball's actual results or performance to differ materially from those expressed or implied in forward-looking statements made by or on behalf of Ball:

- Fluctuation in customer and consumer growth, spending, demand or preferences, both on a seasonal basis and those that may be longer-term or structural in nature, including any effect on demand for our products as a result of the enactment of laws and programs aimed at discouraging the consumption or altering the package or portion size of certain of our customers' products.
- Customer, competitor or supplier consolidation and potential correspondent supply chain influence.
- Loss of one or more major customers or suppliers or changes to contracts with one or more customers or suppliers.
- Failure to achieve anticipated productivity improvements or cost reductions including those associated with capital expenditures; failure to achieve an appropriate or optimal level of maintenance and capital expenditures; and failure to achieve expectations with respect to expansion plans, accretion to reported earnings, working capital improvements and investment income or cash flow projections.
- Changes in climate and weather; acts of war, terrorism or other significant or catastrophic geopolitical events or natural disasters, or the catastrophic loss of one of our key manufacturing or operating facilities.
- Financial risks, including changes in interest rates affecting our debt or our ability to comply with the terms of our debt instruments; changes in the hedging markets or our inability or failure to economically hedge or insure against certain risks or potential exposures; changes in foreign exchange rates of the currencies in the countries in which the company and its joint ventures carry on business; counterparty risk; liquidity risk; inflation or deflation; and changes in capital availability and our access to financing, including the risk of constraints on financing in the event of a credit rating downgrade.

- Competition in each line of business, including with respect to pricing and the possible decrease in, or loss of, sales or margins resulting therefrom; product development and introductions by our competitors; and technology changes, including the effect on us of technological or product advances made by our competitors.

- The ability or inability to achieve and protect technological and product extensions or new technological and product advances in the company's businesses, including our ability to maintain develop and capitalize on competitive technologies for the design and manufacture of products and to withstand competitive and legal challenges to the proprietary nature of such technology (or protect any unpatented proprietary know-how and trade secrets).

- Ball's ability or inability to have available sufficient production capacity, or have such capacity available in the right locations, in a timely manner.

- Overcapacity of Ball or in the metal container industry generally, and its potential impact on costs, pricing and financial results.

- Regulatory action or issues, or changes in federal, state, local or foreign laws, including those related to tax, environmental, health and workplace safety, including in respect of climate change, or chemicals or substances used in raw materials or in the manufacturing process, particularly concerning Bisphenol-A, or BPA, a chemical used in the manufacture of epoxy coatings applied to many types of containers (including certain of those products produced by the company), as well as laws relating to recycling, mandatory deposit or restrictive packaging legislation, or to the effects on health of ingredients or substances in, or attributes of, certain of our customers' products

- The effect of any antitrust, intellectual property, consumer, employee or other litigation, investigations or governmental proceedings.

- The availability and cost of raw materials, commodities, supplies, energy and natural resources needed for the production of metal containers as well as aerospace products, and our ability or inability to pass on to customers changes in raw material costs, particularly steel and aluminum.

- Changes in senior management; strikes and other labor issues; increases and trends in various employee benefits and labor costs, including pension, medical and health care costs incurred in the countries in which Ball has operations; rates of return projected and earned on assets and discount rates used to measure future obligations and expenses of the company's defined benefit retirement plans; and changes in the company's pension plans.

- International business and market risks and economic conditions; political and economic instability in various markets, including periodic sell-offs on global or regional debt or equity markets; restrictive trade practices of national governments; the imposition of duties, taxes or other government charges by national governments; exchange controls; trade sanctions; and ongoing uncertainties and other effects surrounding geopolitical events and governmental policies and actions, both in the U.S. and in other countries, including with respect to the U.S. government budget and debt limit, the potential exit of the United Kingdom from the E.U., and other matters.

- Undertaking successful or unsuccessful acquisitions, divestitures, joint ventures or strategic realignments (including the recently completed acquisition of Rexam PLC and disposition transaction with Ardagh Group S.A.), including with respect to our ability to successfully integrate acquired businesses and achieve anticipated synergies and our ability to successfully expand international and emerging markets; and the effect of acquisitions, divestitures, joint ventures or strategic realignments on our business relationships, operating results and business generally.

- The company's ability to protect its information technology systems from attacks or catastrophic failure, and the strength of the company's cyber-security.

- Delays, extensions and technical uncertainties, as well as schedules of performance associated with contracts for aerospace products and services, and the success or lack of success of satellite launches and the businesses and governments associated with aerospace products, services and launches.

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

- The timing and extent of regulation or deregulation, or changes to regulations and standards, including changes in generally accepted accounting principles or their interpretation.

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

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

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