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Ball-sponsored plans:

Service cost

\$

52.1

\$

14.9

\$

67.0

\$

46.3

\$

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	13.4
\$	
	59.7
\$	
	48.7
\$	
	12.1
\$	
	60.8
Interest cost	
	57.2
	18.4
	75.6
	62.0
	25.7
	87.7

55.2

24.0

79.2

Expected return on plan assets

(79.2

)

(19.7

)

(98.9

)

(82.6

)

(17.0

)

(99.6

)

(77.3

)

(16.7

)

(94.0

)

Amortization of prior service cost

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	(1.1)
)	
	(0.4)
)	
	(1.5)
)	
	(0.1)
)	
	(0.5)
)	
	(0.6)
)	
	(0.4)
)	
	(0.4)
)	
Recognized net actuarial loss	
	39.0
	9.2
	48.2
	29.5

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8.2

37.7

42.5

7.8

50.3

Curtailment and settlement losses (gains), including special termination benefits

4.9

4.9

45.3

45.3

6.1

1.7

7.8

Net periodic benefit cost for Ball-sponsored plans

72.9

22.4

95.3

100.4

29.8

130.2

75.2

28.5

103.7

Multi-employer plans:

Net periodic benefit cost, excluding curtailment loss

1.3

1.3

2.0

2.0

2.6

2.6

Curtailment and settlement losses (gains)

9.8

9.8

Net periodic benefit cost for multi-employer plans

1.3

1.3

2.0

10

	2.0
	12.4
	12.4
Total net periodic benefit cost	
\$	74.2
\$	22.4
\$	96.6
\$	102.4
\$	29.8
\$	
	11

132.2

\$

87.6

\$

28.5

\$

116.1

In September 2014, the company executed a lump sum buyout offer to certain terminated vested pension plan participants in its U.S. defined benefit pension plans. The offer provided participants with a one-time election to receive a lump-sum payout in full settlement of their remaining pension benefit. The company recorded a non-cash charge of \$45.3 million for the settlement of its pension benefit obligations in connection with this offer in 2014, based on pension asset values and liabilities at the time of the settlement.

Curtailment losses in 2013 are related to the closure of the company's Elgin, Illinois, facility and the migration of certain of the company's Weirton, West Virginia, hourly employees from a multi-employer defined benefit pension plan to a Ball-sponsored defined benefit pension plan as of January 1, 2014. Further details are available in Note 5.

The estimated actuarial net gain (loss) and prior service cost for the defined benefit pension plans that will be amortized from accumulated other comprehensive earnings (loss) into net periodic benefit cost during 2016 are a loss of \$37.4 million and a gain of \$1.4 million, respectively.

Contributions to the company's defined benefit pension plans, not including the unfunded German plans, are expected to be in the range of \$31 million in 2016. This estimate may change based on changes in the Pension Protection Act and actual plan asset performance and available company cash flow, among other factors. Benefit payments related to these plans are expected to be \$94.1 million, \$97.4 million, \$100.9 million, \$104.5 million and \$108.6 million for the years ending December 31, 2016 through 2020, respectively, and a total of \$584 million for the years 2021 through 2025. Payments to participants in the unfunded German plans are expected to be approximately \$16 million to \$18 million in each of the years 2016 through 2020 and a total of \$75 million for the years 2021 through 2025.

Weighted average assumptions used to determine benefit obligations for the North American plans at December 31 were:

	U.S.			Canada	
2015	2014	2013	2015	2014	2013

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Discount rate	4.60%	4.15%	5.00%	3.50%	3.50%	4.25%
Rate of compensation increase	4.80%	4.80%	4.80%	3.00%	3.00%	3.00%

Table of Contents**Ball Corporation****Notes to the Consolidated Financial Statements****15. Employee Benefit Obligations (continued)**

Weighted average assumptions used to determine benefit obligations for the European plans at December 31 were:

	2015	United Kingdom 2014	2013	2015	Germany 2014	2013
Discount rate	3.75%	3.75%	4.50%	2.25%	1.75%	3.25%
Rate of compensation increase	3.00%	3.00%	4.25%	2.50%	2.50%	2.75%
Pension increase	3.15%	3.15%	3.40%	1.75%	1.75%	1.75%

The discount and compensation increase rates used above to determine the benefit obligations at December 31, 2015, will be used to determine net periodic benefit cost for 2016. A reduction of the expected return on pension assets assumption by one quarter of a percentage point would result in an approximate \$3.4 million increase in 2016 pension expense, while a quarter of a percentage point reduction in the discount rate applied to the pension liability would result in estimated additional pension expense of \$4.8 million in 2016.

Weighted average assumptions used to determine net periodic benefit cost for the North American plans for the years ended December 31 were:

	2015	U.S. 2014	2013	2015	Canada 2014	2013
Discount rate	4.15%	5.00%	4.13%	3.50%	4.25%	4.00%
Rate of compensation increase	4.80%	4.80%	4.80%	3.00%	3.00%	3.00%
Expected long-term rate of return on assets	7.25%	7.25%	7.63%	4.00%	4.56%	4.55%

Weighted average assumptions used to determine net periodic benefit cost for the European plans for the years ended December 31 were:

	2015	United Kingdom 2014	2013	2015	Germany 2014	2013
Discount rate	3.75%	4.50%	4.50%	1.75%	3.25%	3.25%
Rate of compensation increase	3.00%	4.25%	3.75%	2.50%	2.75%	2.75%
Pension increase	3.15%	3.40%	2.90%	1.75%	1.75%	1.75%
Expected long-term rate of return on assets	6.50%	6.50%	7.00%	N/A	N/A	N/A

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Current financial accounting standards require that the discount rates used to calculate the actuarial present value of pension and other postretirement benefit obligations reflect the time value of money as of the measurement date of the benefit obligation and reflect the rates of return currently available on high quality fixed-income securities whose cash flows (via coupons and maturities) match the timing and amount of future benefit payments of the plan. In addition, changes in the discount rate assumption should reflect changes in the general level of interest rates.

In selecting the U.S. discount rate for December 31, 2015, several benchmarks were considered, including Moody's long-term corporate bond yield for A bonds, the Citigroup Pension Liability Index, the JP Morgan 15+ year corporate bond yield for A bonds and the Merrill Lynch 15+ year corporate bond yield for A bonds. In addition, the expected cash flows from the plans were modeled relative to the Citigroup Pension Discount Curve and matched to cash flows from a portfolio of bonds rated A or better. When determining the appropriate discount rate, the company contemplated the impact of lump sum payment options under its U.S. plans when considering the appropriate yield curve. In Canada the markets for locally denominated high-quality, longer term corporate bonds are relatively thin. As a result, the approach taken in Canada was to use yield curve spot rates to discount the respective benefit cash flows and to compute the underlying constant bond yield equivalent. The Canadian discount rate at December 31, 2015, was selected based on a review of the expected benefit payments for each of the Canadian defined benefit plans over the next 60 years and then discounting the resulting cash flows to the measurement date using the AA corporate bond spot rates to determine the equivalent level discount rate. In the United Kingdom and Germany, the company and its actuarial consultants considered the applicable iBoxx 15+ year AA corporate bond yields for the respective markets and determined a rate consistent with those expectations. In all countries, the discount rates selected for December 31, 2015, were based on the range of values obtained from cash flow specific methods, together with the changes in the general level of interest rates reflected by the benchmarks.

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15. Employee Benefit Obligations (continued)

The assumption related to the expected long-term rate of return on plan assets reflects the average rate of earnings expected on the funds invested to provide for the benefits over the life of the plans. The assumption was based upon Ball's pension plan asset allocations, investment strategies and the views of investment managers and other large pension plan sponsors. Some reliance was placed on historical asset returns of our plans. An asset-return model was used to project future asset returns using simulation and asset class correlation. The analysis included expected future risk premiums, forward-looking return expectations derived from the yield on long-term bonds and the price earnings ratios of major stock market indexes, expected inflation and real risk-free interest rate assumptions and the fund's expected asset allocation.

The expected long-term rates of return on assets were calculated by applying the expected rate of return to a market related value of plan assets at the beginning of the year, adjusted for the weighted average expected contributions and benefit payments. The market related value of plan assets used to calculate the expected return was \$1,395.3 million for 2015, \$1,470.9 million for 2014 and \$1,238.5 million for 2013.

For pension plans, accumulated actuarial gains and losses in excess of a 10 percent corridor and the prior service cost are amortized over the average remaining service period of active participants or over the average life expectancy for plans with significant inactive participants.

Defined Benefit Pension Plan Assets

Policies and Allocation Information

Investment policies and strategies for the plan assets in the U.S., Canada and the United Kingdom are established by pension investment committees of the company and its relevant subsidiaries and include the following common themes: (1) to provide for long-term growth of principal without undue exposure to risk, (2) to minimize contributions to the plans, (3) to minimize and stabilize pension expense and (4) to achieve a rate of return above the market average for each asset class over the long term. The pension investment committees are required to regularly, but no less frequently than once annually, review asset mix and asset performance, as well as the performance of the investment managers. Based on their reviews, which are generally conducted quarterly, investment policies and strategies are revised as appropriate.

Target asset allocations in the U.S. and Canada are set using a minimum and maximum range for each asset category as a percent of the total funds' market value. Assets contributed to the United Kingdom plans are invested using established percentages. Following are the target asset allocations established as of December 31, 2015:

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	U.S.	Canada	United Kingdom(c)
Cash and cash equivalents	0-10%	0-2%	4%
Equity securities	10-75%(a)	8-12%	20%
Fixed income securities	25-70%(b)	88-92%	64%
Absolute return investments			9%
Alternative investments	0-35%		3%

(a) *Equity securities may consist of: (1) up to 25 percent large cap equities, (2) up to 10 percent mid cap equities, (3) up to 10 percent small cap equities, (4) up to 35 percent foreign equities and (5) up to 35 percent special equities. Holdings in Ball Corporation common stock or Ball bonds cannot exceed 5 percent of the trust's assets.*

(b) *Debt securities may include up to 10 percent non-investment grade bonds, up to 10 percent bank loans and up to 15 percent international bonds.*

(c) *The percentages provided reflect the asset allocation percentage at December 31, 2015. The portfolio mix is expected to be adjusted over time toward more fixed-income securities.*

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The actual weighted average asset allocations for Ball's defined benefit pension plans, which individually were within the established targets for each country for that year, were as follows at December 31:

	2015	2014
Cash and cash equivalents	2%	3%
Equity securities	37%	38%
Fixed income securities	52%	50%
Alternative investments	9%	9%
	100%	100%

Fair Value Measurements of Pension Plan Assets

Following is a description of the valuation methodologies used for pension assets measured at fair value:

Cash and cash equivalents: Consist of cash on deposit with brokers and short-term U.S. Treasury money market funds and are net of receivables and payables for securities traded at the period end but not yet settled. All cash and cash equivalents are stated at cost, which approximates fair value.

Corporate equity securities: Valued at the closing price reported on the active market on which the individual security is traded.

U.S. government and agency securities: Valued using the pricing of similar agency issues, live trading feeds from several vendors and benchmark yields.

Corporate bonds and notes: Valued using market inputs including benchmark yields, reported trades, broker/dealer quotes, issuer spreads, benchmark securities, bids, offers and reference data including market research publications. Inputs may be prioritized differently at certain times based on market conditions.

Commingled funds: The shares held are valued at the net asset value (NAV) at year end.

Limited partnerships and other: Certain of the partnership investments receive fair market valuations on a quarterly basis. Certain other partnerships invest in market-traded securities, both on a long and short basis. These investments are valued using quoted market prices. For the partnership that invests in timber properties, a detailed valuation is performed by an independent appraisal firm every three years. In the interim years, the investment manager updates the independently prepared valuation for property value changes, timber growth, harvesting, etc.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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The company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of the fair value of assets and liabilities and their placement within the fair value hierarchy levels. The levels assigned to the defined benefit plan assets are summarized in the tables below:

(\$ in millions)	December 31, 2015			Total
	Level 1	Level 2	Level 3	
U.S. pension assets, at fair value:				
Cash and cash equivalents	\$ 2.9	\$ 66.0	\$	\$ 68.9
Corporate equity securities:				
Consumer discretionary	46.6			46.6
Financials	37.4			37.4
Healthcare	25.9			25.9
Industrials	61.2			61.2
Information technology	53.2			53.2
Other	34.1	18.4		52.5
U.S. government and agency securities:				
FHLMC mortgage backed securities		14.4		14.4
FNMA mortgage backed securities		55.9		55.9
Treasury bonds	31.7			31.7
Other	11.7	12.2		23.9
Corporate bonds and notes:				
Financials		91.5		91.5
Industrials		21.1		21.1
Oil and gas		21.5		21.5
Private placement		37.3		37.3
Other		84.6		84.6
Commingled funds				
International	15.9	50.7		66.6
Other	2.2	64.1		66.3
Limited partnerships and other		64.4	62.7	127.1
Total assets	\$ 322.8	\$ 602.1	\$ 62.7	\$ 987.6

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(\$ in millions)	December 31, 2014			Total
	Level 1	Level 2	Level 3	
U.S. pension assets, at fair value:				
Cash and cash equivalents	\$ 0.9	\$ 88.7	\$	\$ 89.6
Corporate equity securities:				
Consumer discretionary	53.8			53.8
Industrials	58.7			58.7
Information technology	57.5			57.5
Other	116.6	34.4		151.0
U.S. government and agency securities:				
FHLMC mortgage backed securities		14.7		14.7
FNMA mortgage backed securities		49.9		49.9
Other	49.1	13.1		62.2
Corporate bonds and notes:				
Financials		96.5		96.5
Oil and gas		33.4		33.4
Private placement		44.8		44.8
Other		113.5		113.5
Commingled funds				
International	19.5	68.7		88.2
Other	3.3	50.3		53.6
Limited partnerships and other		67.6	63.0	130.6
Total assets	\$ 359.4	\$ 675.6	\$ 63.0	\$ 1,098.0

The following is a reconciliation of the U.S. Level 3 assets for the two years ended December 31, 2015 (dollars in millions):

Balance at December 31, 2013	\$	51.9
Actual return on plan assets relating to assets still held at the reporting date		9.5
Purchases		9.1
Sales		(7.5)
Balance at December 31, 2014		63.0
Actual return on plan assets relating to assets still held at the reporting date		3.3
Purchases		7.9
Sales		(11.5)
Balance at December 31, 2015	\$	62.7

(\$ in millions)	December 31,	
	2015	2014

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Canadian pension assets, at fair value (all Level 2):				
Equity commingled funds	\$	3.0	\$	3.9
Fixed income commingled funds		27.5		34.5
Fixed income securities		6.8		8.7
Total assets	\$	37.3	\$	47.1

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(\$ in millions)	2015	December 31,	2014
U.K. pension assets, at fair value (all Level 2):			
Cash and cash equivalents	\$	10.9	\$
Equity commingled funds		54.4	71.3
Fixed income commingled funds		174.0	174.1
Absolute return funds		24.5	17.2
Alternative investments		8.2	22.8
Net assets	\$	272.0	\$ 285.4

Other Postemployment Benefits

The company sponsors postretirement health care and life insurance plans for substantially all U.S. and Canadian employees. Employees may also qualify for long-term disability, medical and life insurance continuation and other postemployment benefits upon termination of active employment prior to retirement. All of the Ball-sponsored postretirement health care and life insurance plans are unfunded and, with the exception of life insurance benefits, are self-insured.

In Canada, the company provides supplemental medical and other benefits in conjunction with Canadian provincial health care plans. Most U.S. salaried employees who retired prior to 1993 are covered by noncontributory defined benefit medical plans with capped lifetime benefits. Ball provides a fixed subsidy toward each retiree's future purchase of medical insurance for U.S. salaried and substantially all nonunion hourly employees retiring after January 1, 1993. Life insurance benefits are noncontributory. Ball has no commitments to increase benefits provided by any of the postemployment benefit plans.

An analysis of the change in other postretirement benefit accruals for 2015 and 2014 follows:

(\$ in millions)	2015	2014
Change in benefit obligation:		
Benefit obligation at prior year end	\$ 154.1	\$ 155.4
Service cost	1.5	1.4
Interest cost	6.0	7.3
Benefits paid	(8.7)	(11.4)
Net actuarial (gain) loss	(17.3)	3.1

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Special termination benefits		2.1	
Effect of exchange rates and other		(2.9)	(1.7)
Benefit obligation at year end	\$	134.8	\$ 154.1

Components of net periodic benefit cost were:

(\$ in millions)	Years Ended December 31,		
	2015	2014	2013
Service cost	\$ 1.5	\$ 1.4	\$ 1.7
Interest cost	6.0	7.3	6.6
Amortization of prior service cost	(0.6)	(0.5)	(0.5)
Recognized net actuarial loss (gain)	(1.6)	(1.5)	(0.6)
Special termination benefits	2.1		1.9
Net periodic benefit cost	\$ 7.4	\$ 6.7	\$ 9.1

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15. Employee Benefit Obligations (*continued*)

Approximately \$2.5 million of estimated net actuarial gain and \$0.6 million of prior service benefit will be amortized from accumulated other comprehensive earnings (loss) into net periodic benefit cost during 2016.

The assumptions used for the determination of benefit obligations and net periodic benefit cost were the same as those used for the U.S. and Canadian defined benefit pension plans. For other postretirement benefits, accumulated actuarial gains and losses and prior service cost are amortized over the average remaining service period of active participants.

For the U.S. health care plans at December 31, 2015, a 7.5 percent health care cost trend rate was used for pre-65 and post-65 benefits, and trend rates were assumed to decrease to 5 percent in 2021 and remain at that level thereafter. For the Canadian plans, a 4.5 percent health care cost trend rate was used, which was assumed to increase to 5 percent by 2018 and remain at that level in subsequent years. Benefit payment caps exist in many of the company's health care plans.

Health care cost trend rates can have an effect on the amounts reported for the health care plan. A one-percentage point increase in assumed health care cost trend rates would increase the total of service and interest cost by \$0.2 million and the postretirement benefit obligation by \$2.9 million. A one-percentage point decrease would decrease the total of service and interest cost by \$0.2 million and the postretirement benefit obligation by \$2.8 million.

Deferred Compensation Plans

Certain management employees may elect to defer the payment of all or a portion of their annual incentive compensation into the company's deferred compensation plan and/or the company's deferred compensation stock plan. The employee becomes a general unsecured creditor of the company with respect to any amounts deferred. Amounts deferred into the deferred compensation stock plan receive a 20 percent company match with a maximum match of \$20,000 per year. Amounts deferred into the deferred compensation stock plan are represented in the participant's account as stock units, with each unit having a value equivalent to one share of Ball's common stock. Participants in the deferred compensation stock plan are allowed to reallocate a prescribed number of units to other notional investment funds subject to specified time constraints.

Other Benefit Plans

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The company matches U.S. salaried employee contributions to the 401(k) plan with shares of Ball common stock up to 100 percent of the first 3 percent of a participant's salary plus 50 percent of the next 2 percent. The expense associated with the company match amounted to \$23.6 million, \$23.6 million and \$23.5 million for 2015, 2014 and 2013, respectively.

In addition, substantially all employees within the company's aerospace and technologies segment who participate in Ball's 401(k) plan may receive a performance-based matching cash contribution of up to 4 percent of base salary. The company recognized no additional compensation expenses related to this program in 2015 and 2013 and \$4.7 million of additional compensation expense in 2014.

16. Shareholders' Equity

At December 31, 2015, the company had 550 million shares of common stock and 15 million shares of preferred stock authorized, both without par value. Preferred stock includes 550,000 authorized but unissued shares designated as Series A Junior Participating Preferred Stock.

Under the company's shareholder Rights Agreement dated July 26, 2006, as amended, one half of a preferred stock purchase right (Right) is attached to each outstanding share of Ball Corporation common stock. Subject to adjustment, each Right entitles the registered holder to purchase from the company one one-thousandth of a share of Series A Junior Participating Preferred Stock at an exercise price of \$185 per Right. Subject to certain limited exceptions for passive investors, if a person or group acquires 10 percent or more of the company's outstanding common stock (or upon occurrence of certain other events), the Rights (other than those held by the acquiring person) become exercisable and generally entitle the holder to purchase shares of Ball Corporation common stock at a 50 percent discount. The Rights, which expire in 2016, are redeemable by the company at a redemption price of \$0.001 per Right and trade with the common stock. Exercise of such Rights would cause substantial dilution to a person or group attempting to acquire control of the company without the approval of Ball's board of directors. The Rights would not interfere with any merger or other business combinations approved by the board of directors.

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The company's share repurchases, net of issuances, totaled \$99.5 million in 2015, \$360.1 million in 2014 and \$398.8 million in 2013.

In March 2014, in a privately negotiated transaction, Ball entered into an accelerated share repurchase agreement to buy \$100 million of its common shares using cash on hand and available borrowings. The company advanced the \$100 million on March 7, 2014, and received 1,538,740 shares, which represented 85 percent of the total shares as calculated using the closing price on March 3, 2014. The agreement was settled in June 2014, and the company received an additional 245,196 shares, which represented a weighted average price of \$56.06 for the entire contract price.

Accumulated Other Comprehensive Earnings (Loss)

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

(\$ in millions)	Foreign Currency Translation	Pension and Other Postretirement Benefits (Net of Tax)	Effective Derivatives (Net of Tax)	Accumulated Other Comprehensive Earnings (Loss)
December 31, 2013	\$ 180.7	\$ (391.8)	\$ (38.8)	\$ (249.9)
Other comprehensive earnings (loss) before reclassifications	(199.1)	(159.4)	4.3	(354.2)
Amounts reclassified from accumulated other comprehensive earnings (loss)		51.3	30.7	82.0
December 31, 2014	(18.4)	(499.9)	(3.8)	(522.1)
Other comprehensive earnings (loss) before reclassifications	(165.1)	25.4	(18.2)	(157.9)
Amounts reclassified from accumulated other comprehensive earnings (loss)		29.6	10.5	40.1
December 31, 2015	\$ (183.5)	\$ (444.9)	\$ (11.5)	\$ (639.9)

Table of Contents**Ball Corporation****Notes to the Consolidated Financial Statements****16. Shareholders Equity (continued)**

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

(\$ in millions)	December 31,		
	2015	2014	2013
Gains (losses) on cash flow hedges:			
Commodity contracts recorded in net sales	\$ 5.4	\$ (6.2)	\$ 8.4
Commodity contracts and currency exchange contracts recorded in cost of sales	(23.6)	(27.2)	(35.9)
Currency exchange contracts recorded in SG&A expense	1.7		
Interest rate contracts recorded in interest expense	(0.2)		(1.0)
Total before tax effect	(16.7)	(33.4)	\$ (28.5)
Tax benefit (expense) on amounts reclassified into earnings	6.2	2.7	7.1
Recognized gain (loss)	\$ (10.5)	\$ (30.7)	\$ (21.4)
Amortization of pension and other postretirement benefits (a):			
Prior service income (cost)	\$ 1.0	\$ 0.6	\$ 1.0
Actuarial gains (losses)	(47.7)	(36.8)	(49.8)
Effect of pension settlement		(45.3)	
Total before tax effect	(46.7)	(81.5)	(48.8)
Tax benefit (expense) on amounts reclassified into earnings	17.1	30.2	18.2
Recognized gain (loss)	\$ (29.6)	\$ (51.3)	\$ (30.6)

(a) These components are included in the computation of net periodic benefit cost included in Note 15.

Noncontrolling Interest

Ball acquired the remaining interests in its Latapack-Ball joint venture in Brazil for consideration of approximately 5.7 million treasury shares of Ball common stock, valued at \$403.0 million, and \$17.4 million in cash. The accounting guidance requires changes in noncontrolling interests that do not result in a change of control to be recorded as an equity transaction. Where there is a difference between the fair value of consideration paid and the carrying value of the noncontrolling interest, it is recorded to common stock. The difference of \$220.2 million between the noncontrolling interest carrying value of \$200.2 million at the time of acquisition and the fair value of the consideration paid of \$420.4 million was recorded as a decrease to common stock. The acquisition of the joint venture company was completed in December 2015, and Latapack-Ball is now a wholly owned subsidiary of Ball Corporation.

17. 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 on the date of grant. In the case of stock options, payment must be made by the employee at the time of exercise in cash or with shares of stock owned by the employee, which are valued at fair market value on the date exercised. For SSARs, the employee receives the share equivalent of the difference between the fair market value on the date exercised and the exercise price of the SSARs exercised. 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. A summary of stock option activity for the year ended December 31, 2015, follows:

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	Outstanding Options and SSARs	
	Number of Shares	Weighted Average Exercise Price
Beginning of year	9,738,030	\$ 32.76
Granted	1,231,865	66.15
Exercised	(1,201,987)	27.92
Canceled/forfeited	(51,657)	46.74
End of period	9,716,251	37.50
Vested and exercisable, end of period	6,748,255	\$ 30.15
Reserved for future grants	8,657,680	

The weighted average remaining contractual term for all options and SSARs outstanding at December 31, 2015, was 5.3 years and the aggregate intrinsic value (difference in exercise price and closing price at that date) was \$342.3 million. The weighted average remaining contractual term for options and SSARs vested and exercisable at December 31, 2015, was 4.1 years and the aggregate intrinsic value was \$287.4 million. The company received \$21.6 million, \$22.9 million and \$17.0 million from options exercised during 2015, 2014 and 2013, respectively, and the intrinsic value associated with these exercises was \$32.9 million, \$31.4 million and \$17.1 million for the same periods, respectively. The tax benefit associated with the company's stock compensation programs was \$21.3 million for 2015, and was reported as other financing activities in the consolidated statement of cash flows. The total fair value of options and SSARs vested during 2015, 2014 and 2013 was \$11.7 million, \$13.3 million and \$11.4 million, respectively.

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 2015, 2014 and 2013 have estimated weighted average fair values at the date of grant of \$14.20 per share, \$9.81 per share and \$8.69 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. Consequently, there is no assurance that the value realized by an employee will equal the fair value estimated at the grant date. The fair values were estimated using the following weighted average assumptions:

	2015 Grants	2014 Grants	2013 Grants
Expected dividend yield	0.79%	1.06%	1.13%
Expected stock price volatility	22.11%	21.41%	22.02%
Risk-free interest rate	1.39%	1.65%	1.02%
Expected life of options (in years)	5.85 years	5.50 years	5.50 years

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In addition to stock options and SSARs, the company issues to certain employees restricted shares and restricted stock units, which vest over various periods. Other than the performance-contingent grants discussed below, such restricted shares and restricted stock units generally vest in equal installments over five years. Compensation cost is recorded based upon the fair value of the shares at the grant date.

Following is a summary of restricted stock activity for the year ended December 31, 2015:

	Number of Shares/Units		Weighted Average Grant Price
Beginning of year	1,220,661	\$	33.92
Granted	192,831		68.83
Vested	(546,294)		28.17
Canceled/forfeited	(5,253)		52.62
End of period	861,945		45.27

Table of Contents**Ball Corporation****Notes to the Consolidated Financial Statements****17. Stock-Based Compensation Programs (continued)**

In January 2015, 2014 and 2013, the company's board of directors granted 116,559, 143,305 and 148,875 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 are based on the company's increase in economic value added (EVA®) dollars compared to the EVA® dollars generated in the calendar year prior to the grant and ranging from zero to 200 percent of each participant's assigned award opportunity. If the minimum performance goals are not met, the shares 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 reassesses the probability of the goals being met and adjusts compensation expense as appropriate. The expense associated with the performance-contingent grants totaled \$7.1 million, \$6.9 million and \$7.6 million in 2015, 2014 and 2013, respectively.

For the years ended December 31, 2015, 2014 and 2013, the company recognized in selling, general and administrative expenses pretax expense of \$24.7 million (\$15.4 million after tax), \$25.1 million (\$15.6 million after tax) and \$24.5 million (\$14.9 million after tax), respectively, for share-based compensation arrangements. At December 31, 2015, there was \$35.0 million of total unrecognized compensation cost related to nonvested share-based compensation arrangements. This cost is expected to be recognized in earnings over a weighted average period of 2.5 years.

In connection with the employee stock purchase plan, the company contributes 20 percent of each participating employee's monthly payroll deduction up to a maximum contribution of \$500 toward the purchase of Ball Corporation common stock. Company contributions for this plan were \$3.5 million in 2015, 2014 and 2013.

18. Earnings Per Share

(\$ in millions, except per share amounts; shares in thousands)	Years Ended December 31,		
	2015	2014	2013
Net earnings attributable to Ball Corporation	\$ 280.9	\$ 470.0	\$ 406.8
Basic weighted average common shares	137,300	138,508	145,943
Effect of dilutive securities	3,684	3,922	3,280
Weighted average shares applicable to diluted earnings per share	140,984	142,430	149,223
Basic earnings per share	\$ 2.05	\$ 3.39	\$ 2.79
Diluted earnings per share	\$ 1.99	\$ 3.30	\$ 2.73

Certain outstanding options and SSARs were excluded from the diluted earnings per share calculation because they were anti-dilutive (i.e., the sum of the proceeds, including the unrecognized compensation and windfall tax benefits, exceeded the average closing stock price for the period). The options and SSARs excluded totaled 1.2 million in 2015 and 1.3 million in 2013. There were no options or SSARs excluded in 2014.

19. Financial Instruments and Risk Management

Policies and Procedures

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 that 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 set-off any amounts owed with regard to open derivative positions.

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Ball Corporation

Notes to the Consolidated Financial Statements

19. Financial Instruments and Risk Management (continued)

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 December 31, 2015, the company had aluminum contracts limiting its aluminum exposure with notional amounts of approximately \$509 million, of which approximately \$436 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 expire within the next three years. Included in shareholders equity at December 31, 2015, within accumulated other comprehensive earnings (loss) is a net after-tax loss of \$12.7 million associated with these contracts. A net loss of \$9.5 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.

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 December 31, 2015, included

pay-fixed interest rate swaps, which effectively convert variable rate obligations to fixed-rate instruments.

At December 31, 2015, the company had outstanding interest rate swap contracts, excluding those related to the Rexam acquisition, with notional amounts of approximately \$115 million paying fixed rates expiring within the next five years. The after-tax loss included in shareholders' equity at December 31, 2015, within accumulated other comprehensive earnings (loss) is insignificant.

Interest Rate Risk - 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 announced, proposed acquisition of Rexam. At December 31, 2015, the company had outstanding interest rate swaps with notional amounts totaling approximately \$200 million and 1,750 million. In addition, the company entered into interest rate option contracts to hedge negative Euribor rates with an aggregate notional amount of 750 million. Subsequent to 2015, the company terminated interest rate swap contracts with an aggregate notional amount of \$923 million (850 million). These contracts were not designated as hedges, and therefore, changes in the fair value of these interest swap and option contracts are recognized in the consolidated statements of earnings in debt refinancing and other costs, a component of total interest expense. The loss included in debt refinancing and other costs during 2015 associated with these contracts was \$15.9 million. The contracts outstanding at the close of 2015, expire within the next four years.

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Ball Corporation

Notes to the Consolidated Financial Statements

19. Financial Instruments and Risk Management (continued)

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 significant currency exposures. At December 31, 2015, the company had outstanding exchange forward contracts and option contracts, excluding those for the Rexam acquisition, with notional amounts totaling approximately \$695 million. Approximately \$1.3 million of net after-tax gain related to these contracts is included in accumulated other comprehensive earnings at December 31, 2015, of which a net loss of \$0.4 million is expected to be recognized in the consolidated statement of earnings during the next 12 months. The contracts outstanding at December 31, 2015, expire within the next five years.

Currency Exchange Rate Risk – Rexam Acquisition

In connection with the announced, proposed acquisition of Rexam, the company entered into collar and option contracts to partially mitigate its currency exchange rate risk from February 19, 2015, through the expected closing date of the acquisition. At December 31, 2015, the company had outstanding collar and option contracts with notional amounts totaling approximately £1.8 billion (\$2.7 billion). These contracts were not designated as hedges, and therefore, changes in the fair value of these contracts are recognized in the consolidated statements of earnings in business consolidation and other activities (see Note 5). During 2015, the company recognized a loss of \$41.0 million associated with these contracts. The contracts outstanding at December 31, 2015, expire within the next year.

In connection with the December 2015 issuance of \$1 billion of U.S. dollar senior notes due 2020, the company executed cross-currency swaps to convert the fixed-rate U.S. dollar issuance to a fixed-rate euro issuance for the life of the notes to more effectively match the future cash flows of our business. The cross-currency swaps have a notional amount of \$1.0 billion and expire within five years. These contracts were not designated as hedges, and therefore, changes in the fair value of these contracts are recognized as business consolidation and other activities. During 2015, the company recognized a loss of \$7.4 million associated with these contracts. See Note 5 for additional information.

In connection with the December 2015 issuance of 1.1 billion of senior notes (400 million due 2020 and 700 million due 2023), the company subsequently converted the net euro proceeds to British pounds using new and existing currency derivative positions at an average exchange rate of approximately 1.37. The company elected to restrict the funds in an acquisition escrow account invested in British money market mutual

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funds denominated in pounds. At December 31, 2015, £792 million (\$1,167 million) was invested in the acquisition escrow accounts. Changes in the U.S. dollar and the British pound exchange rate will result in gains or losses to the acquisition escrow account, recognized as business consolidation and other activities. Subsequent to December 31, 2015, the company converted the U.S. dollars into British pounds. The British pound acquisition escrow account will be used to pay the cash component of the proposed acquisition price of Rexam.

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. Based on current share levels in the program, each \$1 change in the company's stock price has an impact of \$1.5 million on pretax earnings. The company entered into a total return swap to reduce the company's earnings exposure to these fair value fluctuations that will be outstanding until March 2016 and has a notional value of 1 million shares. As of December 31, 2015, the fair value of the swap was a \$2.9 million gain. All gains and losses on the total return swap are recorded in the consolidated statement of earnings in selling, general and administrative expenses.

Table of Contents**Ball Corporation****Notes to the Consolidated Financial Statements****19. Financial Instruments and Risk Management (continued)****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 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 December 31, 2015, the aggregate fair value of all derivative instruments with credit-risk-related contingent features that were in a net liability position was \$69.2 million and no collateral was required to be posted. As of December 31, 2014, the aggregate fair value of all derivative instruments with credit-risk-related contingent features that were in a net liability position was \$12.4 million and no collateral was required to be posted.

Fair Value Measurements

Ball has classified all applicable financial derivative assets and liabilities as Level 2 within the fair value hierarchy as of December 31, 2015 and 2014, and presented those values in the table 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.

(\$ in millions)	December 31, 2015			December 31, 2014		
	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	\$ 6.0	\$ 4.0	\$ 10.0	\$ 3.8	\$ 1.3	\$ 5.1
Foreign currency contracts	1.9	5.6	7.5	0.8	3.5	4.3
Other contracts		2.9	2.9			
Total current derivative contracts	\$ 7.9	\$ 12.5	\$ 20.4	\$ 4.6	\$ 4.8	\$ 9.4
Commodity contracts	\$ 1.0	\$	\$ 1.0	\$ 2.2	\$ 0.5	\$ 2.7
Foreign currency contracts	0.2		0.2			
Interest rate contracts		2.1	2.1	0.4		0.4
Total noncurrent derivative contracts	\$ 1.2	\$ 2.1	\$ 3.3	\$ 2.6	\$ 0.5	\$ 3.1

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Liabilities:

Commodity contracts	\$	11.8	\$	5.1	\$	16.9	\$	6.9	\$	1.6	\$	8.5
Foreign currency contracts				33.0		33.0		1.6		1.3		2.9
Interest rate and other contracts		0.6				0.6		0.5		0.4		0.9
Total current derivative contracts	\$	12.4	\$	38.1	\$	50.5	\$	9.0	\$	3.3	\$	12.3
Commodity contracts	\$	7.9	\$		\$	7.9	\$	6.8	\$	0.5	\$	7.3
Interest rate contracts		0.1		23.3		23.4		0.3				0.3
Total noncurrent derivative contracts	\$	8.0	\$	23.3	\$	31.3	\$	7.1	\$	0.5	\$	7.6

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. The company additionally evaluates counterparty creditworthiness and, as of December 31, 2015, has not identified any circumstances requiring that 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):

(\$ in millions)	Location of Gain (Loss) Recognized in Earnings on Derivatives	2015		Years Ended December 31, 2014		2013	
		Cash Flow Hedge - Reclassified Amount from Other Comprehensive Earnings (Loss) - Gain (Loss)	Gain (Loss) on Designated as Hedge Instruments	Cash Flow Hedge - Reclassified Amount from Other Comprehensive Earnings (Loss) - Gain (Loss)	Gain (Loss) on Designated as Hedge Instruments	Cash Flow Hedge - Reclassified Amount from Other Comprehensive Earnings (Loss) - Gain (Loss)	Gain (Loss) on Designated as Hedge Instruments
Commodity contracts - manage exposure to customer pricing	Net sales	\$ 5.4	\$ 1.2	\$ (6.3)	\$ 3.1	\$ 8.4	\$ 0.2
Commodity contracts - manage exposure to supplier pricing	Cost of sales	(23.5)	(4.8)	(27.3)	1.3	(35.3)	(3.1)
Interest rate contracts - manage exposure for outstanding debt	Interest expense	(0.1)				(1.0)	
Interest rate contracts - manage exposure for forecasted Rexam financing	Debt refinancing and other costs		(15.9)				
Foreign currency contracts - manage exposure to sales of products	Cost of sales	(0.2)	2.2	0.2	(1.0)	(0.6)	(0.1)
Foreign currency contracts - manage exposure for transactions between segments	Selling, general and administrative	1.7	(7.3)		(24.0)		7.4
Foreign currency contracts - manage exposure for proposed acquisition of Rexam	Business consolidation and other activities		(41.0)				
Cross currency swaps - manage exposure for proposed acquisition of Rexam	Business consolidation and other activities		(7.4)				

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Equity and inflation contracts	Selling, general and administrative		3.9		(2.6)		0.6
Total		\$ (16.7)	\$ (69.1)	\$ (33.4)	\$ (23.2)	\$ (28.5)	\$ 5.0

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

(\$ in millions)	Years Ended December 31,		
	2015	2014	2013
Amounts reclassified into earnings:			
Commodity contracts	\$ 18.1	\$ 33.6	\$ 26.9
Interest rate contracts	0.1		1.0
Currency exchange contracts	(1.5)	(0.2)	0.6
Change in fair value of cash flow hedges:			
Commodity contracts	(29.5)	4.1	(61.6)
Interest rate contracts	(0.2)	(0.3)	0.3
Currency exchange contracts	3.8	0.7	2.2
Foreign currency and tax impacts	1.5	(2.9)	0.7
	\$ (7.7)	\$ 35.0	\$ (29.9)

Table of Contents**Ball Corporation****Notes to the Consolidated Financial Statements****20. Quarterly Results of Operations (Unaudited)**

The company's quarters in both 2015 and 2014 ended on March 31, June 30, September 30 and December 31.

(\$ in millions, except per share amounts)	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
2015					
Net sales	\$ 1,923.1	\$ 2,172.3	\$ 2,097.0	\$ 1,804.6	\$ 7,997.0
Gross profit (a)	304.8	336.5	346.0	307.7	1,295.0
Earnings before taxes	\$ 27.5	\$ 237.8	\$ 17.6	\$ 62.6	\$ 345.5
Net earnings attributable to Ball Corporation	\$ 20.7	\$ 160.4	\$ 44.5	\$ 55.3	\$ 280.9
Basic earnings per share (b):	\$ 0.15	\$ 1.16	\$ 0.32	\$ 0.40	\$ 2.05
Diluted earnings per share (b):	\$ 0.15	\$ 1.13	\$ 0.32	\$ 0.39	\$ 1.99
2014					
Net sales	\$ 2,006.8	\$ 2,291.9	\$ 2,238.9	\$ 2,032.4	\$ 8,570.0
Gross profit (a)	336.5	387.9	372.4	336.9	1,433.7
Earnings before taxes	\$ 144.1	\$ 215.3	\$ 187.9	\$ 98.3	\$ 645.6
Net earnings attributable to Ball Corporation	\$ 93.5	\$ 153.1	\$ 147.4	\$ 76.0	\$ 470.0
Basic earnings per share (b):	\$ 0.67	\$ 1.10	\$ 1.07	\$ 0.56	\$ 3.39
Diluted earnings per share (b):	\$ 0.65	\$ 1.07	\$ 1.04	\$ 0.54	\$ 3.30

(a) Gross profit is shown after depreciation and amortization related to cost of sales of \$241.7 million and \$232.8 million for the years ended December 31, 2015 and 2014, respectively.

(b) Earnings per share calculations for each quarter are based on the weighted average shares outstanding for that period. As a result, the sum of the quarterly amounts may not equal the annual earnings per share amount.

The unaudited quarterly results of operations included business consolidation and other activities that affected the company's operating performance. Further details are included in Note 5.

21. 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. 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 does not believe that these lawsuits, claims and proceedings are material individually or in the aggregate. While management believes the company has established adequate accruals for expected future liability with respect to pending lawsuits, claims and proceedings, where the nature and extent of any such liability can be reasonably estimated based upon then presently available information, there can be no assurance that the final resolution of any existing or future lawsuits, claims or proceedings will not have a material adverse effect on the liquidity, results of operations or financial condition of the company.

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21. Contingencies (continued)

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 two more years. 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, with supplemental responses expected to be submitted during the first quarter of 2016. 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

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claims in these patents seeking unspecified monetary damages, fees and declaratory and injunctive relief. The District Court issued a claim construction 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. Activity in the case is now scheduled to resume in the second half of 2016. 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.

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 tax incentives, and which amount to approximately \$7.5 million. 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.

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Ball Corporation

Notes to the Consolidated Financial Statements

22. Indemnifications and Guarantees

General Guarantees

The company or its appropriate consolidated direct or indirect subsidiaries have made certain indemnities, commitments and guarantees under which the specified entity may be required to make payments in relation to certain transactions. These indemnities, commitments and guarantees include indemnities to the customers of the subsidiaries in connection with the sales of their packaging and aerospace products and services; guarantees to suppliers of 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.

The company records a liability for payments under promissory notes and other evidences of incurred indebtedness and for losses for any known contingent liabilities, 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 obligations under its senior notes and senior credit facilities are fully and unconditionally guaranteed, on a joint and several basis, by certain of the company's domestic subsidiaries. All obligations under the guarantees of the credit facilities are secured, with certain exceptions, by a valid first priority perfected lien or pledge on (i) 100 percent of the stock of each of the company's present and future direct and indirect wholly owned material domestic subsidiaries and (ii) 65 percent of the stock of each of the company's present and future wholly owned material first-tier foreign subsidiaries. These guarantees are required in support of the notes and credit facilities referred to above, terminate upon maturity of the obligations and certain other events as described in the note indentures and credit agreements and would require performance upon certain events referred to in the respective guarantees. The maximum potential amounts which could be required to be paid under the domestic guarantees are essentially equal to the then outstanding principal and interest under the respective note indentures and credit agreements. The company is not in default under the above note indentures or credit facilities. The condensed consolidating financial information for the guarantor and non-guarantor subsidiaries is presented in Note 23. 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.

Accounts Receivable Securitization

Ball Capital Corp. II is a separate, wholly owned corporate entity created for the purchase of accounts receivable from certain of the company's wholly owned subsidiaries. Ball Capital Corp. II's assets will be available first to satisfy the claims of its creditors. The company has been designated as the servicer pursuant to an agreement whereby Ball Capital Corp. II may sell and assign the accounts receivable to a commercial lender or lenders. As the servicer, the company is responsible for the servicing, administration and collection of the receivables and is primarily liable for the performance of such obligations. The company, the relevant subsidiaries and Ball Capital Corp. II are not in default under the above credit arrangement.

Table of Contents**Ball Corporation****Notes to the Consolidated Financial Statements****23. Subsidiary Guarantees of Debt**

The company's senior notes are guaranteed on a full, unconditional and joint and several basis by certain of the company's material domestic subsidiaries. Each of the guarantor subsidiaries is 100 percent owned by Ball Corporation. These guarantees are required in support of the notes, 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. The maximum potential amounts that could be required to be paid under the domestic guarantees are essentially equal to the then outstanding principal and interest under the respective notes. The following is condensed consolidating financial information for the company, segregating the guarantor subsidiaries and non-guarantor subsidiaries, as of December 31, 2015 and 2014, and for the three years ended December 31, 2015, 2014 and 2013. 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.

(\$ in millions)	Condensed Consolidating Statement of Earnings					Consolidated Total
	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments		
Net sales	\$	\$ 4,788.0	\$ 3,258.9	\$ (49.9)	\$ 7,997.0	
Cost and expenses						
Cost of sales (excluding depreciation and amortization)	(0.3)	(3,958.5)	(2,551.4)	49.9	(6,460.3)	
Depreciation and amortization	(5.5)	(132.5)	(147.5)		(285.5)	
Selling, general and administrative	(80.2)	(170.2)	(200.9)		(451.3)	
Business consolidation and other activities	(159.4)	(18.6)	(16.7)		(194.7)	
Equity in results of subsidiaries	452.8	215.5		(668.3)		
Intercompany	206.8	(174.9)	(31.9)			
	414.2	(4,239.2)	(2,948.4)	(618.4)	(7,391.8)	
Earnings (loss) before interest and taxes	414.2	548.8	310.5	(668.3)	605.2	
Interest expense	(139.2)	5.5	(9.5)		(143.2)	
Debt refinancing and other costs	(114.6)		(1.9)		(116.5)	
Total interest expense	(253.8)	5.5	(11.4)		(259.7)	
Earnings (loss) before taxes	160.4	554.3	299.1	(668.3)	345.5	
Tax (provision) benefit	120.5	(110.7)	(56.8)		(47.0)	
Equity in results of affiliates, net of tax		2.3	2.1		4.4	
Net earnings (loss)	280.9	445.9	244.4	(668.3)	302.9	
Less net earnings attributable to noncontrolling interests			(22.0)		(22.0)	
Net earnings (loss) attributable to Ball Corporation	\$ 280.9	\$ 445.9	\$ 222.4	\$ (668.3)	\$ 280.9	
Comprehensive earnings attributable to Ball Corporation	\$ 163.1	\$ 327.8	\$ 100.4	\$ (428.2)	\$ 163.1	

Table of Contents**Ball Corporation****Notes to the Consolidated Financial Statements****23. Subsidiary Guarantees of Debt (continued)**

(\$ in millions)	Condensed Consolidating Statement of Earnings For the Year Ended December 31, 2014					Consolidated Total
	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments		
Net sales	\$	\$ 5,102.6	\$ 3,479.3	\$ (11.9)	\$	8,570.0
Cost and expenses						
Cost of sales (excluding depreciation and amortization)		(4,207.3)	(2,708.1)	11.9		(6,903.5)
Depreciation and amortization	(6.4)	(127.5)	(147.0)			(280.9)
Selling, general and administrative	(77.4)	(185.5)	(203.6)			(466.5)
Business consolidation and other activities	(11.2)	(66.6)	(2.7)			(80.5)
Equity in results of subsidiaries	470.2	265.4		(735.6)		
Intercompany	254.8	(215.8)	(39.0)			
	630.0	(4,537.3)	(3,100.4)	(723.7)		(7,731.4)
Earnings (loss) before interest and taxes	630.0	565.3	378.9	(735.6)		838.6
Interest expense	(150.0)	3.4	(13.3)			(159.9)
Debt refinancing and other costs	(33.1)					(33.1)
Total interest expense	(183.1)	3.4	(13.3)			(193.0)
Earnings (loss) before taxes	446.9	568.7	365.6	(735.6)		645.6
Tax (provision) benefit	23.1	(99.4)	(73.6)			(149.9)
Equity in results of affiliates, net of tax		1.2	1.1			2.3
Net earnings (loss)	470.0	470.5	293.1	(735.6)		498.0
Less net earnings attributable to noncontrolling interests			(28.0)			(28.0)
Net earnings (loss) attributable to Ball Corporation	\$ 470.0	\$ 470.5	\$ 265.1	\$ (735.6)	\$	470.0
Comprehensive earnings attributable to Ball Corporation	\$ 197.9	\$ 209.6	\$ 91.6	\$ (301.2)	\$	197.9

Table of Contents**Ball Corporation****Notes to the Consolidated Financial Statements****23. Subsidiary Guarantees of Debt (continued)**

(\$ in millions)	Condensed Consolidating Statement of Earnings For the Year Ended December 31, 2013					Consolidated Total
	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments		
Net sales	\$	\$ 5,125.5	\$ 3,364.2	\$ (21.6)	\$	8,468.1
Cost and expenses						
Cost of sales (excluding depreciation and amortization)	0.1	(4,246.7)	(2,650.4)	21.6		(6,875.4)
Depreciation and amortization	(7.5)	(126.7)	(165.7)			(299.9)
Selling, general and administrative	(81.4)	(179.9)	(157.3)			(418.6)
Business consolidation and other activities	(0.7)	(88.5)	10.4			(78.8)
Equity in results of subsidiaries	426.9	248.4		(675.3)		
Intercompany	234.1	(188.3)	(45.8)			
	571.5	(4,581.7)	(3,008.8)	(653.7)		(7,672.7)
Earnings (loss) before interest and taxes	571.5	543.8	355.4	(675.3)		795.4
Interest expense	(172.0)	2.5	(14.3)			(183.8)
Debt refinancing and other costs	(27.9)		(0.1)			(28.0)
Total interest expense	(199.9)	2.5	(14.4)			(211.8)
Earnings (loss) before taxes	371.6	546.3	341.0	(675.3)		583.6
Tax (provision) benefit	35.2	(113.8)	(71.0)			(149.6)
Equity in results of affiliates, net of tax		0.4	0.2			0.6
Net earnings (loss) from continuing operations	406.8	432.9	270.2	(675.3)		434.6
Discontinued operations, net of tax		0.4				0.4
Net earnings (loss)	406.8	433.3	270.2	(675.3)		435.0
Less net earnings attributable to noncontrolling interests			(28.2)			(28.2)
Net earnings (loss) attributable to Ball Corporation	\$ 406.8	\$ 433.3	\$ 242.0	\$ (675.3)	\$	406.8
Comprehensive earnings attributable to Ball Corporation	\$ 519.0	\$ 533.2	\$ 261.3	\$ (794.5)	\$	519.0

Table of Contents**Ball Corporation****Notes to the Consolidated Financial Statements****23. Subsidiary Guarantees of Debt (continued)**

(\$ in millions)	Condensed Consolidating Balance Sheet December 31, 2015				
	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments	Consolidated Total
Assets					
Current assets					
Cash and cash equivalents	\$ 5.5	\$	\$ 218.5	\$	\$ 224.0
Receivables, net	39.6	224.3	621.5		885.4
Intercompany receivables	136.5	517.1	6.6	(660.2)	
Inventories, net	(0.3)	516.7	382.0		898.4
Deferred taxes and other current assets	48.8	83.5	43.9		176.2
Total current assets	230.1	1,341.6	1,272.5	(660.2)	2,184.0
Noncurrent assets					
Property, plant and equipment, net	13.8	1,026.4	1,645.7		2,685.9
Investment in subsidiaries	3,688.4	2,135.1	78.6	(5,902.1)	
Goodwill		966.5	1,210.0		2,176.5
Restricted cash	2,154.4				2,154.4
Intangibles and other assets, net	251.4	101.2	223.6		576.2
Total assets	\$ 6,338.1	\$ 5,570.8	\$ 4,430.4	\$ (6,562.3)	\$ 9,777.0
Liabilities and Shareholders					
Equity					
Current liabilities					
Short-term debt and current portion of long-term debt					
	\$ 0.7	\$ 0.2	\$ 76.4	\$	\$ 77.3
Accounts payable	19.4	791.8	689.6		1,500.8
Intercompany payables	105.1	0.5	554.3	(659.9)	
Accrued employee costs	16.0	133.4	80.0		229.4
Other current liabilities	145.4	60.0	128.7		334.1
Total current liabilities	286.6	985.9	1,529.0	(659.9)	2,141.6
Noncurrent liabilities					
Long-term debt	4,938.5		115.7		5,054.2
Employee benefit obligations	341.6	466.2	339.4		1,147.2
Deferred taxes and other liabilities	(479.9)	375.0	277.9	(0.3)	172.7
Total liabilities	5,086.8	1,827.1	2,262.0	(660.2)	8,515.7
Common stock	961.7	1,041.8	375.2	(1,417.0)	961.7
Preferred stock			4.8	(4.8)	
Retained earnings	4,557.5	3,276.4	2,062.1	(5,338.5)	4,557.5
Accumulated other comprehensive earnings (loss)	(639.9)	(574.5)	(283.7)	858.2	(639.9)
Treasury stock, at cost	(3,628.0)				(3,628.0)
Total Ball Corporation shareholders equity	1,251.3	3,743.7	2,158.4	(5,902.1)	1,251.3
Noncontrolling interests			10.0		10.0

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Total shareholders equity	1,251.3	3,743.7	2,168.4	(5,902.1)	1,261.3
Total liabilities and shareholders equity	\$ 6,338.1	\$ 5,570.8	\$ 4,430.4	\$ (6,562.3)	\$ 9,777.0

Table of Contents**Ball Corporation****Notes to the Consolidated Financial Statements****23. Subsidiary Guarantees of Debt (continued)**

(\$ in millions)	Condensed Consolidating Balance Sheet December 31, 2014				
	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminating Adjustments	Consolidated Total
Assets					
Current assets					
Cash and cash equivalents	\$ 1.5	\$ 0.4	\$ 189.5	\$	\$ 191.4
Receivables, net	43.7	241.3	672.1		957.1
Intercompany receivables	94.0	99.9	4.3	(198.2)	
Inventories, net		575.0	441.7		1,016.7
Deferred taxes and other current assets	3.1	75.1	70.1		148.3
Total current assets	142.3	991.7	1,377.7	(198.2)	2,313.5
Noncurrent assets					
Property, plant and equipment, net	15.1	968.0	1,447.6		2,430.7
Investment in subsidiaries	3,152.7	2,212.2	78.6	(5,443.5)	
Goodwill		931.0	1,323.5		2,254.5
Intangibles and other assets, net	232.4	93.5	246.4		572.3
Total assets	\$ 3,542.5	\$ 5,196.4	\$ 4,473.8	\$ (5,641.7)	\$ 7,571.0
Liabilities and Shareholders Equity					
Current liabilities					
Short-term debt and current portion of long-term debt					
	\$ 1.9	\$ 7.6	\$ 165.6	\$	\$ 175.1
Accounts payable	7.1	732.5	600.4		1,340.0
Intercompany payables	99.7	1.5	97.0	(198.2)	
Accrued employee costs	22.3	155.6	92.0		269.9
Other current liabilities	51.6	38.0	132.2		221.8
Total current liabilities	182.6	935.2	1,087.2	(198.2)	2,006.8
Noncurrent liabilities					
Long-term debt	2,750.0	0.2	243.6		2,993.8
Employee benefit obligations	329.4	432.7	416.2		1,178.3
Deferred taxes and other liabilities	(752.6)	601.8	303.3		152.5
Total liabilities	2,509.4	1,969.9	2,050.3	(198.2)	6,331.4
Common stock					
	1,131.3	2,293.5	534.0	(2,827.5)	1,131.3
Preferred stock			4.8	(4.8)	
Retained earnings	4,346.9	1,389.4	1,839.9	(3,229.3)	4,346.9
Accumulated other comprehensive earnings (loss)	(522.1)	(456.4)	(161.7)	618.1	(522.1)

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Treasury stock, at cost	(3,923.0)							(3,923.0)
Total Ball Corporation shareholders equity	1,033.1	3,226.5	2,217.0	(5,443.5)	1,033.1			
Noncontrolling interests			206.5		206.5			
Total shareholders equity	1,033.1	3,226.5	2,423.5	(5,443.5)	1,239.6			
Total liabilities and shareholders equity	\$ 3,542.5	\$ 5,196.4	\$ 4,473.8	\$ (5,641.7)	\$ 7,571.0			

Table of Contents**Ball Corporation****Notes to the Consolidated Financial Statements****23. Subsidiary Guarantees of Debt (continued)**

(\$ in millions)	Condensed Consolidating Statement of Cash Flows For the Year Ended December 31, 2015			
	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidated Total
Cash provided by (used in) operating activities	\$ (13.2)	\$ 568.3	\$ 451.6	\$ 1,006.7
Cash flows from investing activities				
Capital expenditures	(7.8)	(193.7)	(326.4)	(527.9)
Business acquisition, net of cash acquired		(29.1)		(29.1)
(Increase) decrease in noncurrent restricted cash	(2,182.7)			(2,182.7)
Other, net	7.2	7.1	4.7	19.0
Cash provided by (used in) investing activities	(2,183.3)	(215.7)	(321.7)	(2,720.7)
Cash flows from financing activities				
Long-term borrowings	4,509.1		15.1	4,524.2
Repayments of long-term borrowings	(2,300.7)	(0.1)	(129.0)	(2,429.8)
Net change in short-term borrowings	(1.9)	(7.4)	(83.9)	(93.2)
Proceeds from issuances of common stock	36.0			36.0
Acquisitions of treasury stock	(135.5)			(135.5)
Common dividends	(71.8)			(71.8)
Intercompany	248.7	(340.8)	92.1	
Other, net	(73.3)	(1.7)	(17.8)	(92.8)
Cash provided by (used in) financing activities	2,210.6	(350.0)	(123.5)	1,737.1
Effect of exchange rate changes on cash	(10.1)	(3.0)	22.6	9.5
Change in cash and cash equivalents	4.0	(0.4)	29.0	32.6
Cash and cash equivalents beginning of period	1.5	0.4	189.5	191.4
Cash and cash equivalents end of period	\$ 5.5	\$	\$ 218.5	\$ 224.0

Table of Contents**Ball Corporation****Notes to the Consolidated Financial Statements****23. Subsidiary Guarantees of Debt (continued)**

(\$ in millions)	Condensed Consolidating Statement of Cash Flows For the Year Ended December 31, 2014			
	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidated Total
Cash provided by (used in) continuing operating activities	\$ 68.3	\$ 367.8	\$ 576.4	\$ 1,012.5
Cash flows from investing activities				
Capital expenditures	(10.4)	(181.8)	(198.6)	(390.8)
Other, net	(7.9)	(10.3)	17.6	(0.6)
Cash provided by (used in) investing activities	(18.3)	(192.1)	(181.0)	(391.4)
Cash flows from financing activities				
Long-term borrowings	375.0		36.9	411.9
Repayments of long-term borrowings	(690.4)	(0.5)	(206.9)	(897.8)
Net change in short-term borrowings	1.9	(22.2)	88.5	68.2
Proceeds from issuances of common stock	37.2			37.2
Acquisitions of treasury stock	(397.3)			(397.3)
Common dividends	(72.7)			(72.7)
Intercompany	470.0	(152.9)	(317.1)	
Other, net	17.5		(12.3)	5.2
Cash provided by (used in) financing activities	(258.8)	(175.6)	(410.9)	(845.3)
Effect of exchange rate changes on cash	(8.3)		7.9	(0.4)
Change in cash and cash equivalents	(217.1)	0.1	(7.6)	(224.6)
Cash and cash equivalents beginning of period	218.6	0.3	197.1	416.0
Cash and cash equivalents end of period	\$ 1.5	\$ 0.4	\$ 189.5	\$ 191.4

Table of Contents**Ball Corporation****Notes to the Consolidated Financial Statements****23. Subsidiary Guarantees of Debt (continued)**

(\$ in millions)	Condensed Consolidating Statement of Cash Flows For the Year Ended December 31, 2013			
	Ball Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidated Total
Cash provided by (used in) continuing operating activities	\$ (50.5)	\$ 464.7	\$ 427.1	\$ 841.3
Cash provided by (used in) discontinued operating activities	0.2	(2.5)		(2.3)
Total cash provided by (used in) operating activities	(50.3)	462.2	427.1	839.0
Cash flows from investing activities				
Capital expenditures	(6.7)	(169.2)	(202.4)	(378.3)
Business acquisition, net of cash acquired		(12.5)	(1.7)	(14.2)
Other, net	(19.6)	(2.5)	35.5	13.4
Cash provided by (used in) investing activities	(26.3)	(184.2)	(168.6)	(379.1)
Cash flows from financing activities				
Long-term borrowings	1,373.0	1.0	269.1	1,643.1
Repayments of long-term borrowings	(882.7)		(412.2)	(1,294.9)
Net change in short-term borrowings	(25.0)	29.6	(62.2)	(57.6)
Proceeds from issuances of common stock	32.9			32.9
Acquisitions of treasury stock	(431.7)			(431.7)
Common dividends	(75.2)			(75.2)
Intercompany	316.5	(308.6)	(7.9)	
Other, net	(6.0)		(14.6)	(20.6)
Cash provided by (used in) financing activities	301.8	(278.0)	(227.8)	(204.0)
Effect of exchange rate changes on cash	(6.8)		(7.2)	(14.0)
Change in cash and cash equivalents	218.4		23.5	241.9
Cash and cash equivalents beginning of period	0.2	0.3	173.6	174.1
Cash and cash equivalents end of period	\$ 218.6	\$ 0.3	\$ 197.1	\$ 416.0

24. Subsequent Events

In January 2016, the company announced that its Aerospace and Technologies segment had acquired specialized engineering cyber firm Wavefront Technologies. This acquisition is not material to the company.

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Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There were no matters required to be reported under this item.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We have established disclosure controls and procedures to seek to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to the officers who certify the company's financial reports and to other members of senior management and the board of directors. Based on their evaluation as of December 31, 2015, the chief executive officer and chief financial officer of the company have concluded that the company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) were effective.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Under the supervision and with the participation of our management, including our chief executive officer and chief financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013. Based on our evaluation under the framework in Internal Control - Integrated Framework, our management concluded that our internal control over financial reporting was effective as of December 31, 2015.

The effectiveness of our internal control over financial reporting as of December 31, 2015, has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report, which is included in Item 8, Financial Statements and Supplementary Data.

Changes in Internal Control

There were no changes in our internal control over financial reporting during the quarter ended December 31, 2015, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

There were no matters required to be reported under this item.

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Part III

Item 10. Directors, Executive Officers and Corporate Governance of the Registrant

The executive officers of the company as of February 16, 2016, were as follows:

Charles E. Baker, 58, Vice President, General Counsel and Corporate Secretary since July 2011; Vice President, General Counsel and Assistant Corporate Secretary from 2004 to 2011; Associate General Counsel, 1999 to 2004; various other positions within the company, 1993 to 1999.

Shawn M. Barker, 48, Vice President and Controller since January 2010; Vice President, Operations Accounting, 2006 to 2009; Corporate Director, Financial Planning and Analysis, 2004 to 2006; Manager, Planning and Analysis, 2003 to 2004.

Erik Bouts, 54, Senior Vice President and Chief Operating Officer, Global Metal Beverage Packaging, since February 2015; President Europe, Owens-Illinois from 2013 to 2014; Chief Executive Officer, The Glidden Company from 2007 to 2012; and Chief Executive Officer, Philips Lighting Company from 2002 to 2006.

Michael W. Feldser, 65, Senior Vice President, Ball Corporation, and Chief Operating Officer, Global Metal Food and Household Products Packaging, since April 2013; President, Ball Metal Food & Household Products Packaging from 2007 to 2013; and President, Ball Aerosol & Specialty Packaging, 2006 to 2007. Mr. Feldser will retire from the company in March 2016.

John A. Hayes, 50, Chairman, President and Chief Executive Officer since April 2013; President and Chief Executive Officer, 2011 to 2013; President and Chief Operating Officer during 2010; Executive Vice President and Chief Operating Officer from 2008 to 2009; various other positions within the company, 1999 to 2008.

Jeffrey A. Knobel, 44, Vice President and Treasurer since April 2011; Treasurer from 2010 to 2011; Senior Director, Treasury, 2008 to 2010; Director, Treasury Operations, 2005 to 2008; various other positions within the company, 1997 to 2005.

Scott C. Morrison, 53, Senior Vice President and Chief Financial Officer since January 2010; Vice President and Treasurer from 2002 to 2009; and Treasurer, 2000 to 2002.

Lisa A. Pauley, 54, Senior Vice President, Human Resources and Administration, since July 2011; Vice President, Administration and Compliance, 2007 to 2011; Senior Director, Administration and Compliance, 2004 to 2007; various other positions within the company, 1981

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to 2004.

James N. Peterson, 47, Senior Vice President, Ball Corporation, and Chief Operating Officer, Global Metal Food and Household Products Packaging, since December 2015; Vice President, Marketing and Corporate Affairs from January 2011 to December 2015; Vice President, Marketing and Corporate Relations, 2008 to 2011; Director, Marketing North America, 2006 to 2008; and Vice President, Marketing & Business Development, U.S. Can Company, 2004 to 2006.

Robert D. Strain, 59, Senior Vice President, Ball Corporation, and President, Ball Aerospace & Technologies Corp. since April 2013; Chief Operating Officer, Ball Aerospace & Technologies Corp. from 2012 to 2013; and Director at NASA Goddard Space Flight Center from 2008 to 2012.

Leroy J. Williams, Jr., 51, Vice President, Information Technology and Services, since April 2007; and Vice President, Information Systems, 2005 to 2007.

Other information required by Item 10 appearing under the caption **Director Nominees and Continuing Directors** and **Section 16(a) Beneficial Ownership Reporting Compliance**, of the company's proxy statement to be filed pursuant to Regulation 14A within 120 days after December 31, 2015, is incorporated herein by reference.

Table of Contents**Item 11. Executive Compensation**

The information required by Item 11 appearing under the caption "Executive Compensation" in the company's proxy statement, to be filed pursuant to Regulation 14A within 120 days after December 31, 2015, is incorporated herein by reference. Additionally, the Ball Corporation 2000 Deferred Compensation Company Stock Plan, the Ball Corporation 2005 Deferred Compensation Company Stock Plan, the Ball Corporation Deposit Share Program and the Ball Corporation Directors Deposit Share Program were created to encourage key executives and other participants to acquire a larger equity ownership interest in the company and to increase their interest in the company's stock performance. Nonemployee directors may also be a participant in the 2000 Deferred Compensation Company Stock Plan and the 2005 Deferred Compensation Company Stock Plan.

Item 12. Security Ownership of Certain Beneficial Owners and Management

The information required by Item 12 appearing under the caption "Voting Securities and Principal Shareholders," in the company's proxy statement to be filed pursuant to Regulation 14A within 120 days after December 31, 2015, is incorporated herein by reference.

Securities authorized for issuance under equity compensation plans are summarized below:

Plan Category	Equity Compensation Plan Information		Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (A)) (C)
	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (A)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (B)	
Equity compensation plans approved by security holders	8,657,680	\$ 37.50	8,657,680
Equity compensation plans not security holders approved by security holders			
Total	8,657,680	\$ 37.50	8,657,680

Item 13. Certain Relationships and Related Transactions

The information required by Item 13 appearing under the caption "Ratification of the Appointment of Independent Registered Public Accounting Firm," in the company's proxy statement to be filed pursuant to Regulation 14A within 120 days after December 31, 2015, is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services

The information required by Item 14 appearing under the caption "Certain Committees of the Board," in the company's proxy statement to be filed pursuant to Regulation 14A within 120 days after December 31, 2015, is incorporated herein by reference.

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Part IV

Item 15. Exhibits, Financial Statement Schedules

(a) (1) ***Financial Statements:***

The following documents are included in Part II, Item 8:

Report of independent registered public accounting firm

Consolidated statements of earnings Years ended December 31, 2015, 2014 and 2013

Consolidated statements of comprehensive earnings Years ended December 31, 2015, 2014 and 2013

Consolidated balance sheets December 31, 2015 and 2014

Consolidated statements of cash flows Years ended December 31, 2015, 2014 and 2013

Consolidated statements of shareholders equity Years ended December 31, 2015, 2014 and 2013

Notes to consolidated financial statements

(2) ***Financial Statement Schedules:***

Financial statement schedules have been omitted, as they are either not applicable, are considered insignificant or the required information is included in the consolidated financial statements or notes thereto.

(3) ***Exhibits:***

See the Index to Exhibits, which appears at the end of this document and is incorporated by reference herein.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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/ John A. Hayes
John A. Hayes
Chairman, President and Chief Executive Officer
February 16, 2016

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

(1) Principal Executive Officer:

/s/ John A. Hayes Chairman, President and Chief Executive Officer
John A. Hayes February 16, 2016

(2) Principal Financial and Accounting Officer:

/s/ Scott C. Morrison Senior Vice President and Chief Financial Officer
Scott C. Morrison February 16, 2016

(3) Controller:

/s/ Shawn M. Barker Vice President and Controller
Shawn M. Barker February 16, 2016

(4) A Majority of the Board of Directors:

/s/ Robert W. Alspaugh * Director
Robert W. Alspaugh February 16, 2016

/s/ Michael J. Cave * Director
Michael J. Cave February 16, 2016

/s/ Hanno C. Fiedler * Director
Hanno C. Fiedler February 16, 2016

/s/ John A. Hayes * Chairman of the Board and Director
John A. Hayes February 16, 2016

/s/ R. David Hoover * Director
R. David Hoover February 16, 2016

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/s/ Georgia R. Nelson Georgia R. Nelson	*	Director February 16, 2016
/s/ George M. Smart George M. Smart	*	Director February 16, 2016
/s/ Theodore M. Solso Theodore M. Solso	*	Director February 16, 2016
/s/ Stuart A. Taylor II Stuart A. Taylor II	*	Director February 16, 2016

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* By John A. Hayes as Attorney-in-Fact pursuant to a Limited Power of Attorney executed by the directors listed above, which Power of Attorney has been filed with the Securities and Exchange Commission.

BALL CORPORATION
(Registrant)

By: /s/ John A. Hayes
John A. Hayes
As Attorney-in-Fact
February 16, 2016

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Ball Corporation

Annual Report on Form 10-K

For the Year Ended December 31, 2015

Index to Exhibits

Exhibit Number	Description of Exhibit
3.i	Amended Articles of Incorporation as of June 26, 2015 (Filed Herewith.)
3.ii	Bylaws of Ball Corporation as amended October 27, 2015 (filed by incorporation by reference to the Quarterly Report on Form 10-Q for the quarter ended September 30, 2015) filed October 30, 2015.
4.1(a)	Indenture, dated as of March 27, 2006, by and between Ball Corporation and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.), as Trustee (filed by incorporation by reference to the Current Report on Form 8-K dated March 27, 2006) filed March 30, 2006.
4.1(b)	Seventh Supplemental Indenture, dated as of March 9, 2012, among Ball Corporation, the guarantors named therein and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.) (filed by incorporation by reference to the Current Report on Form 8-K dated March 8, 2012) filed March 9, 2012.
4.1(c)	Eighth Supplemental Indenture dated as of May 16, 2013, among Ball Corporation, the guarantors named therein and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.) (filed by incorporation by reference to Exhibit 4.2 of the Current Report on Form 8-K dated May 16, 2013) filed May 17, 2013.
4.1(d)	Tenth Supplemental Indenture, dated as of March 27, 2015, among Ball Corporation, the guarantors named therein and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.) (filed by incorporation by reference to Exhibit 4.2 of the Current Report on Form 8-K dated June 22, 2015) filed June 25, 2015.
4.1(e)	Indenture, dated as of November 27, 2015, by and between Ball Corporation and The Bank of New York Trust Company N.A. (filed by incorporation by reference to Exhibit 4.7 of the Registration Statement on Form S-3 dated November 27, 2015) filed November 27, 2015.
4.1(f)	First Supplemental Indenture, dated as of December 14, 2015, among Ball Corporation, the guarantors named therein and The Bank of New York Trust Company N.A. (filed by incorporation by reference to Exhibit 4.2 of the Current Report on Form 8-K dated December 14, 2015) filed December 16, 2015.
4.1(g)	Second Supplemental Indenture, dated as of December 14, 2015, among Ball Corporation, the guarantors named therein and The Bank of New York Trust Company N.A. (filed by incorporation by reference to Exhibit 4.4 of the Current Report on Form 8-K dated December 14, 2015) filed December 16, 2015.
4.1(h)	Third Supplemental Indenture, dated as of December 14, 2015, among Ball Corporation, the guarantors named therein and The Bank of New York Trust Company N.A. (filed by incorporation by reference to Exhibit 4.6 of the Current Report on Form 8-K dated December 14, 2015) filed December 16, 2015.
4.1(i)	Rights Agreement dated as of July 26, 2006, between Ball Corporation and Computershare Investor Services, LLC (filed by incorporation by reference to the Current Report on Form 8-K dated July 26, 2006) filed July 27, 2006.

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- 4.1(j) First Amendment to the Rights Agreement dated January 23, 2008, (filed by incorporation by reference to the Current Report on Form 8-K dated January 23, 2008) filed January 24, 2008.
- 10.1 Ball Corporation Deferred Incentive Compensation Plan (filed by incorporation by reference to the Annual Report on Form 10-K for the year ended December 31, 1987) filed March 25, 1988. *
- 10.2 Ball Corporation 1986 Deferred Compensation Plan, as amended July 1, 1994 (filed by incorporation by reference to the Quarterly Report on Form 10-Q for the quarter ended July 3, 1994) filed August 17, 1994. *

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Exhibit Number	Description of Exhibit
10.3	Ball Corporation 1988 Deferred Compensation Plan, as amended July 1, 1994 (filed by incorporation by reference to the Quarterly Report on Form 10-Q for the quarter ended July 3, 1994) filed August 17, 1994. *
10.4	Ball Corporation 1989 Deferred Compensation Plan, as amended July 1, 1994 (filed by incorporation by reference to the Quarterly Report on Form 10-Q for the quarter ended July 3, 1994) filed August 17, 1994. *
10.5	Amended and Restated Form of Severance Benefit Agreement that exists between the company and its executive officers, effective as of August 1, 1994, and as amended on January 24, 1996 (filed by incorporation by reference to the Quarterly Report on Form 10-Q for the quarter ended March 22, 1996) filed May 15, 1996, and as amended on December 17, 2008. *
10.6	Ball Corporation 1986 Deferred Compensation Plan for Directors, as amended October 27, 1987 (filed by incorporation by reference to the Annual Report on Form 10-K for the year ended December 31, 1990) filed April 1, 1991. *
10.7	Ball Corporation Economic Value Added Incentive Compensation Plan dated January 1, 1994 (filed by incorporation by reference to the Annual Report on Form 10-K for the year ended December 31, 1994) filed March 29, 1995, and as amended on August 11, 2011, (filed by incorporation by reference to Exhibit 10.7 of the Annual Report on Form 10-K for the year ended December 31, 2013) filed February 24, 2014. *
10.8	Ball Corporation 1997 Stock Incentive Plan (filed by incorporation by reference to the Form S-8 Registration Statement, No. 333-26361) filed May 1, 1997. *
10.9	1993 Stock Option Plan (filed by incorporation by reference to the Form S-8 Registration Statement, No. 33-61986) filed April 30, 1993. *
10.10	Ball Corporation 2005 Deferred Compensation Plan, effective January 1, 2005 (filed by incorporation by reference to Exhibit 10.1 of the Current Report on Form 8-K dated December 23, 2005) filed December 23, 2005, and as amended and restated on January 1, 2013 (filed by incorporation by reference to Exhibit 10.10 of the Annual Report on Form 10-K for the year ended December 31, 2013) , filed February 24, 2014. *
10.11	Ball Corporation 2005 Deferred Compensation Company Stock Plan, effective January 1, 2005 (filed by incorporation by reference to Exhibit 10.2 of the Current Report on Form 8-K dated December 23, 2005) filed December 23, 2005, and as amended and restated on January 1, 2013 (filed by incorporation by reference to Exhibit 10.11 of the Annual Report on Form 10-K for the year ended December 31, 2013), filed February 24, 2014. *
10.12	Ball Corporation 2005 Deferred Compensation Plan for Directors, effective January 1, 2005 (filed by incorporation by reference to Exhibit 10.3 of the Current Report on Form 8-K dated December 23, 2005) filed December 23, 2005, and as amended and restated on January 1, 2013 (filed by incorporation by reference to Exhibit 10.12 of the Annual Report on Form 10-K for the year ended December 31, 2013), filed February 24, 2014. *
10.13	Ball Corporation 2005 Stock and Cash Incentive Plan filed by incorporation by reference to the Proxy Statement filed March 18, 2005. *
10.14	Ball Corporation 2010 Stock and Cash Incentive Plan filed by incorporation by reference to the Proxy Statement filed March 12, 2010. *
10.15	Ball Corporation 2013 Stock and Cash Incentive Plan filed by incorporation by reference to the Proxy Statement filed March 8, 2013. *

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Exhibit Number	Description of Exhibit
10.16	Credit Agreement, dated as of February 19, 2015, among Ball Corporation, Deutsche Bank AG New York Branch and certain financial institutions party thereto as lenders and initial facing agents (filed by incorporation by reference to Exhibit 10.1 of the Current Report on Form 8-K dated February 19, 2015) filed February 19, 2015.
10.17	Bridge Loan Agreement, dated February 19, 2015, among Ball Corporation, Deutsche Bank AG Cayman Islands Branch and certain financial institutions party thereto as lenders (filed by incorporation by reference to Exhibit 10.2 of the Current Report on Form 8-K dated February 19, 2015) filed February 19, 2015.
11	Statement re: Computation of Earnings per Share (filed by incorporation by reference to the notes to the consolidated financial statements in Item 8, Financial Statements and Supplementary Data).
12	Statement re: Computation of Ratio of Earnings to Fixed Charges. (Filed herewith.)
14	Ball Corporation Executive Officers and Board of Directors Business Ethics Statement, revised July 29, 2015, filed herewith.
18.1	Letter re: Change in Accounting Principles regarding change in pension plan valuation measurement date (filed by incorporation by reference to the Annual Report on Form 10-K for the year ended December 31, 2002) filed March 27, 2003.
18.2	Letter re: Change in Accounting Principles regarding the change in accounting for certain inventories (filed by incorporation by reference to the Annual Report on Form 10-K for the year ended December 31, 2006) filed February 22, 2007.
18.3	Letter re: Change in Accounting Principles regarding the change in testing date for potential impairment of goodwill (filed by incorporation by reference to the Annual Report on Form 10-K for the year ended December 31, 2010) filed February 25, 2011.
21	List of Subsidiaries of Ball Corporation. (Filed herewith.)
23	Consent of Independent Registered Public Accounting Firm. (Filed herewith.)
24	Limited Power of Attorney. (Filed herewith.)
31.1	Certifications pursuant to Rule 13a-14(a) or Rule 15d-14(a), by John A. Hayes, President and Chief Executive Officer of Ball Corporation. (Filed herewith.)
31.2	Certifications 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.)
32.1	Certifications pursuant to Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code, by John A. Hayes, President and Chief Executive Officer of Ball Corporation. (Furnished herewith.)
32.2	Certifications pursuant to Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code, by Scott C. Morrison, Senior Vice President and Chief Financial Officer of Ball Corporation. (Furnished herewith.)
99	Cautionary statement for purposes of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, as amended. (Filed herewith.)
101	The following financial information from Ball Corporation's Annual Report on Form 10-K for the year ended December 31, 2015, formatted in XBRL (Extensible Business Reporting Language): (i) the Consolidated Statements of Earnings, (ii) the Consolidated Statements of Comprehensive Earnings, (iii) the Consolidated Balance Sheets, (iv) the Consolidated Statements of Cash Flows, (v) the Consolidated Statements of Shareholders' Equity and Comprehensive Earnings and (vi) Notes to the Consolidated Financial Statements. (Filed herewith.)

* Represents a management contract or compensatory plan or agreement.

