

**Ball Corporation**  
**Non-GAAP Financial Measures**  
**4th Quarter 2010 Earnings Conference Call**

**Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA) and Adjusted Earnings Before Interest and Taxes (Adjusted EBIT)** - Adjusted EBITDA is earnings before interest, taxes, depreciation and amortization and other items, and Adjusted EBIT is earnings before interest, taxes and other items. We use Adjusted EBITDA and Adjusted EBIT internally to evaluate pre-tax cash flows prior to financing and capital spending cash outflows.

<i>(\$ in millions, except ratios)</i>	<b>Twelve Months Ended December 31, 2010</b>
Net earnings from continuing operations	\$ 542.9
Add total interest expense	158.2
Add tax provision	175.8
Equity in results of affiliates	(118.0)
Net earnings attributable to noncontrolling interests	5.7
Earnings before interest and taxes <b>(EBIT)</b>	764.6
Add business consolidation and other activities <b>(A)</b>	(11.0)
<b>Adjusted EBIT</b>	753.6
Per diluted share excluding tax benefit	265.5
<b>Adjusted EBITDA</b>	<b>\$ 1,019.1</b>
Interest expense <b>(Interest)</b>	<b>\$ 149.4</b>
Total debt at December 31, 2010 <b>(Debt) (B)</b>	\$ 2,812.3
Less cash	(152.0)
<b>Net Debt</b>	<b>\$ 2,660.3</b>
<b>Adjusted EBIT/Interest</b> for the rolling 12 months ended December 31, 2010	5.0x
<b>Total Net Debt/Adjusted EBITDA</b>	2.6x

**(A)** The business consolidation and other activities consist of earnings of \$1.2 million in the fourth quarter of 2010, earnings of \$11.6 million in the third quarter, charges of \$2.3 million in the second quarter and net earnings of \$0.5 million in the first quarter. For detailed information on the above items, please see the respective quarterly filings and/or earnings releases, which can be found on our website at [www.ball.com](http://www.ball.com).

**(B)** Amount includes debt related to the on-balance sheet accounts receivable securitization, if any.

Ball management uses interest coverage and net debt to Adjusted EBITDA ratios as metrics to monitor the credit quality of Ball Corporation. Business consolidation and other activities and the gain on sale of investment are segregated to evaluate the performance of the company's operations. The above is presented on a non-U.S. GAAP basis and should be considered in connection with the unaudited statement of consolidated earnings. Non-U.S. GAAP measures should not be considered in isolation and should not be considered superior to, or a substitute for, financial measures calculated in accordance with U.S. GAAP. A presentation of earnings presented in accordance with U.S. GAAP is available in the company's earnings releases and quarterly filings.

**Net Debt** - Net debt is total debt less cash and cash equivalents, which are both derived directly from the company's financial statements.

**Free Cash Flow** - Management internally uses a free cash flow measure (1) to evaluate the company's operating results, (2) to plan stock buy-back levels, (3) to evaluate strategic investments and (4) to evaluate the company's ability to incur and service debt. Free cash flow is not a defined term under U.S. GAAP (a non-U.S. GAAP measure). Non-U.S. GAAP measures should not be considered in isolation or as a substitute for net earnings or cash flow data prepared in accordance with U.S. GAAP and may not be comparable to similarly titled measures of other companies.

Free cash flow is typically derived directly from the company's cash flow statements and defined as cash flows from operating activities (both continuing and discontinued) less additions to property, plant and equipment (capital spending). Free cash flow may be adjusted for items that affect comparability between periods. An example of this in 2010 was the \$250 million increase in accounts receivable due to a change in accounting for the company's accounts receivable securitization. Based on the company's definition, free cash flow for 2010 was calculated as

Cash flow provided by continuing operating activities	\$ 500.3
Cash flow provided by discontinued operating activities	14.9
Exclude increase in accounts receivable to due to change in accounting for securitization program	250.0
Less additions to property, plant and equipment, continuing operations	(250.2)
Less additions to property, plant and equipment, discontinued operations	(9.2)
<b>Free cash flow</b>	<b>\$ 505.8</b>

Cash flow from operating activities is the most comparable U.S. GAAP term to free cash flow, and it should not be inferred that the entire free cash flow amount is available for discretionary expenditures.

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**Additional information provided in the earnings release and analysts' conference call:**

(\$ in millions, except per share amounts)	Three months ended December 31,		Year ended December 31,	
	2010	2009	2010	2009
Net earnings as reported	\$ 92.2	\$ 81.4	\$ 468.0	\$ 387.9
Discontinued operations, net of tax	1.5	(1.7)	74.9	2.2
Business consolidation activities, net of tax	0.3	(0.6)	(9.3)	13.0
Gains and equity earnings related to acquisitions, net of tax	-	-	(105.9)	-
Gain on disposition, net of tax	-	-	-	(30.7)
Debt refinancing costs, net of tax	0.4	-	5.3	-
<b>Net earnings before above transactions</b>	<b>\$ 94.4</b>	<b>\$ 79.1</b>	<b>\$ 433.0</b>	<b>\$ 372.4</b>
Per diluted share before above transactions	\$ 1.06	\$ 0.83	\$ 4.72	\$ 3.92
Tax benefit related to debt refinancing	(0.13)	-	(0.13)	-
Per diluted share excluding tax benefit	<b>\$ 0.93</b>	<b>\$ 0.83</b>	<b>\$ 4.59</b>	<b>\$ 3.92</b>