APPENDIX I
REVISED QUANTIFIED FINANCIAL BENEFITS STATEMENT

Part A

In the Announcement, the Ball Responsible Officers stated that they anticipated Ball would be able to achieve net annual cost synergies of approximately $300 million in the 3rd financial year of operations of the Combined Group in its entirety. In the regulatory announcement dated 30 November, 2015 the Ball Responsible Officers revised this statement to refer to net annual cost synergies in excess of $300 million. These statements were made on the basis of the Combined Group in its entirety. Subsequent to the release of these statements, further information became available to the Ball Responsible Officers, including the extent of the Divestment Business, and they set out a revised statement on net annual cost synergies in the Divestment Announcement (the Revised Quantified Financial Benefits Statement). The Ball Responsible Officers have confirmed that the Revised Quantified Financial Benefits Statement remains valid, and that each of PricewaterhouseCoopers and Greenhill has confirmed that the reports produced by each of them in connection with such statement, which reports were set out in Appendix I to the Divestment Announcement, continue to apply.

A copy of the Revised Quantified Financial Benefits Statement is set out below:

“The Ball Responsible Officers, having reviewed and analysed the potential benefits of the Offer, based on their experience of operating in the packaging sector and taking into account the factors Ball can influence, believe that the Combined Group, taking into account the disposal of the Divestment Business, will be able to achieve net annual cost synergies in excess of $300 million by the end of the 3rd financial year of operations of the Combined Group.

The principal sources of quantified synergies are as follows:

- approximately 40 per cent. of the identified synergies are expected to be generated from reduced costs due to optimising global sourcing via standardisation and greater purchasing volume for various direct and indirect materials;
- approximately 30 per cent. of the identified synergies are expected to be generated from lower general and administrative expenses;
- approximately 24 per cent. of the identified synergies are expected to be generated from sharing best practices across the Combined Group to lower production costs and optimising the expanded production capabilities of the Combined Group; and
- approximately 6 per cent. of the identified synergies are expected to be generated from lower freight, logistics and warehousing costs.

In addition to these quantified synergies, the Ball Responsible Officers believe that significant further value can be created through additional opportunities, including:

- revenue opportunities arising as a result of (i) the creation of a combined business with a global footprint that more closely matches the footprint of its customers and their needs for innovative products; and (ii) the Combined Group’s ability to provide a better, more cost-effective service to its customers; and
- balance sheet improvements through improved working capital, including better inventory management as a result of the larger plant network.

It is envisaged that the realisation of the identified synergies will result in non-recurring integration costs of approximately $280 million over the first three years. It is anticipated that the integration costs will have been incurred by the end of the 3rd financial year of operations of the Combined Group.

Aside from the integration costs, no material dis-synergies are expected in connection with the Offer. The expected synergies will accrue as a direct result of the success of the Offer and would not be achieved on a standalone basis.”
Further information on the bases of belief supporting the Revised Quantified Financial Benefits Statement, including the principal assumptions and sources of information, is set out below.

**Bases of Belief**

Initial discussions were held between senior finance and strategy personnel from Ball and Rexam in January 2015 for the purposes of allowing Ball to quantify initial estimates of potential synergies and associated costs relating to the Offer. Both Ball and Rexam shared certain information to facilitate Ball's analysis and evaluation of the potential synergies available as a result of the Offer. In circumstances where data was limited for commercial or other reasons, estimates and assumptions were made to aid the development of individual synergy initiatives. Where appropriate, assumptions were used to estimate the costs of implementing the new structures, systems and processes required to realise the synergies.

Very recently, Ball has had limited access to Rexam’s procurement and operational heads under appropriate non-disclosure and clean team arrangements. This has allowed the confirmation of certain assumptions and the refinement of the related synergy opportunities both in terms of nature and quantum.

Ball established a framework to refine these estimates through diligence discussions. Ball engaged with the relevant functional heads and other personnel at Ball and Rexam to provide input into the development process so it could assess and reach a conclusion on the nature and quantum of the identified synergy initiatives.

The cost bases used as the basis for the quantification exercise are 12 months actual cost base to December 2014 for Rexam and the 12 months budgeted cost base to December 2016 for Ball.

The exchange rate used to convert between USD and GBP is 1.528.

**Reports**

PricewaterhouseCoopers LLP, London, United Kingdom (PricewaterhouseCoopers), as reporting accountants to Ball, provided a report under Rule 28.1(a) of the Code stating that, in its opinion, the Revised Quantified Financial Benefits Statement has been properly compiled on the basis stated. The Ball Responsible Officers have confirmed that PricewaterhouseCoopers has confirmed that its report (which was set out in Appendix I to the Divestment Announcement) continues to apply.

Greenhill & Co. International LLP (Greenhill), as lead financial adviser to Ball, provided a report for the purposes of the Code stating that, in its opinion and subject to the terms of the report, the Revised Quantified Financial Benefits Statement, for which the Ball Responsible Officers are responsible, has been prepared with due care and consideration.

The Ball Responsible Officers have confirmed that Greenhill has confirmed that its report (which was set out in Appendix I to the Divestment Announcement) continues to apply. Copies of these reports are included in Parts B and C of this Appendix I.

**Notes**

1. The statements of estimated cost savings and synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, or may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. No statement in the Revised Quantified Financial Benefits Statement, or this document generally, should be construed as a profit forecast or interpreted to mean that Ball’s earnings in the full first full year following the Offer, or in any subsequent period, would necessarily match or be greater than or be less than those of Ball and/or Rexam for the relevant preceding financial period or any other period.

2. Due to the scale of the Combined Group, there may be additional changes to the Combined Group’s operations. As a result, and given the fact that the changes relate to the future, the resulting cost savings may be materially greater or less than those estimated.

3. In arriving at the Revised Quantified Financial Benefits Statement, the Ball Responsible Officers have assumed that:
   a. there will be no significant impact on the underlying operations of either business; and
   b. there will be no material change to macroeconomic, political or legal conditions in the markets or regions in which in the Combined Group operates which will materially impact on the implementation of or costs to achieve the proposed cost savings; and
   c. there will be no material change in exchange rates.