



FORM 10-K405

JARDEN CORP - JAH

Filed: March 29, 1999 (period: December 31, 1998)

Annual report. The Regulation S-K Item 405 box on the cover page is checked

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 10-K

(X) ANNUAL REPORT PURSUANT TO SECTION 13 or 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 1998

() TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Indiana Alltrista Corporation 35-1828377
0-21052
State of Incorporation Commission File Number IRS Identification Number
5875 Castle Creek Parkway, North Drive, Suite 440
Indianapolis, Indiana 46250-4330

Registrant's telephone number, including area code: (317) 577-5000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
----- Common Stock, without par value	----- New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

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

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

The aggregate market value of voting stock held by non-affiliates of the registrant was \$141.3 million based upon the closing market price on March 19, 1999

Number of shares outstanding as of the latest practicable date.

Class	Outstanding at March 19, 1999
----- Common Stock, without par value	----- 6,768,680

DOCUMENTS INCORPORATED BY REFERENCE

1. Annual Report to Shareholders for the year ended December 31, 1998 to the extent indicated in Parts I, II, and IV. Except as to information specifically incorporated, the 1998 Annual Report to Shareholders is not to be deemed filed as part of this Form 10-K report.
2. Proxy statement filed with the Commission dated March 31, 1999 to the extent indicated in Part III.

ALLTRISTA CORPORATION AND SUBSIDIARIES
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PART I

Item 1. Business

On April 2, 1993 (the Distribution Date) Alltrista Corporation (the Company) became an independent company as a result of the distribution of 7,291,208 shares of its common stock (no par value) in the form of a dividend to the shareholders of Ball Corporation (Ball) on the basis of one share of the Company's common stock for every four shares of Ball common stock held by Ball shareholders (the Distribution). Prior to the Distribution Date, Ball transferred to the Company, a wholly owned subsidiary of Ball, the net assets of its Consumer Products, Zinc Products, Metal Services (previously Metal Decorating and Service) and LumenX (previously Industrial Systems) Divisions and its plastic products business (comprised of its Unimark Plastics and Industrial Plastics Divisions and Plastic Packaging (previously Plastic Packaging Products Co.)).

In April 1996, the Company sold its Metal Services plants, real estate, equipment and certain inventory. On September 30, 1997, the Company sold the machine vision inspection equipment product line of LumenX. The sale consisted primarily of inventory, fixed assets and intangibles. Effective September 28, 1998, the Company sold the x-ray inspection equipment product line of LumenX ending the Company's involvement in the capital goods market.

Effective January 1, 1997, the Company organized all of its operating divisions into newly formed, separate legal entities. Consequently, the majority of the assets and liabilities associated with these operating divisions were transferred to the new entities.

The businesses comprising the Company have interests in metal and plastics products.

On March 12, 1999, the Company entered into a definitive agreement to acquire the net assets of Triangle Plastics, Inc. and its subsidiaries ("Triangle Plastics"). Triangle Plastics manufactures heavy gauge industrial thermoformed parts for original equipment manufacturers in a variety of industries, including the heavy trucking, agricultural, portable toilet, recreational and construction markets. Through its TriEnda division, Triangle Plastics produces plastic thermoformed products for material handling applications. Triangle Plastics employs approximately 1,100 people and has a technical center and five production facilities located in Florida, Iowa, Tennessee and Wisconsin. Triangle Plastics had net sales of \$114.1 million in 1998.

The following sections of the 1998 Annual Report to Shareholders contain financial and other information concerning company operations and are incorporated herein by reference: the financial statement notes "Significant Accounting Policies" and "Business Segment Information" on pages 18 through 20; and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 10 through 13.

Metal Products Segment

The Company's metal products segment includes consumer and zinc products.

Consumer Products

The Company markets a line of home food preservation products which includes Ball(TM), Kerr(R), Bernardin and Golden Harvest(TM) brand home canning jars and jar closures and related food products (including fruit pectin, fruit protector, pickle mixes and tomato mixes) for home food preservation and preparation. Jar closures are manufactured by the Company principally from tin-plated steel sheet. Food products purchased from others for resale are manufactured and packaged to the division's specifications. Beginning in 1999, the Company will market a line of housewares including tumblers, beverage tappers and other glassware.

At the end of the third quarter of 1994, the Company acquired the Fruit-Fresh(R) brand of fruit protector from Joh. A. Benckiser GmbH. The transaction resulted in the acquisition of inventory and the Fruit-Fresh(R) brand name. Bernardin Ltd. was purchased from American National Can during the fourth quarter of 1994. Bernardin Ltd. markets home canning products and produces metal closures for home canning in Canada. At the end of the first quarter of 1996, the Company acquired certain assets from Kerr Group, Inc. related to their home food preservation products. The Company purchased the equipment, raw materials inventory and a license to use the Kerr(R) trade name. In October 1997, the Company entered into an agreement to market and distribute the Golden Harvest(TM) line of home canning products, which includes jars and lids.

The demand for home canning supplies is seasonal. Sales generally reflect the pattern of the growing season. Although home canning jars are reusable, the jar closures are replaced after use. Accordingly, a large portion of the Company's sales is represented by sales of new closures and related food

products for use with home canning jars.

The home canning market has declined over the past decade. Management believes the decline has moderated based on its view that the home canning market has already adjusted for the lifestyle changes that occurred in the 1980s (i.e., two wage-earning families and trends toward fast food and convenience foods) and that a core base in this market will be maintained. The demand for home canning supplies has historically been contra-cyclical relative to the macro-economy. The Company's line of home canning mixes simplify food preservation consistent with consumer preferences for convenience. Growth opportunities exist through new products and product line extensions as well as acquisitions. The Company is also exploring marketing home canning products outside of the United States and Canada.

Sales are made through well-established distribution channels to approximately 1,750 wholesale and retail customers (principally food, hardware and mass merchants) in the United States and Canada. Sales to one large retail customer exceeded 10% of the Company's 1998 consumer product sales.

The Company continues to be a market leader in the sale of home canning supplies in the United States. The Company's acquisition in 1994 of Bernardin Ltd. provides a leadership position in the Canadian market. The Company competes with companies who specialize in other food preservation mediums such as freezing and dehydration. The food product portion of its business is much more segmented, with competitors ranging in size from very small to very large.

Zinc Products

Ball began the manufacture of closures for its home canning jars in 1885 using zinc as the primary material and expanded the zinc product line to include other products through internal development. The current manufacturing facility for zinc products was constructed in Greeneville, Tennessee, in 1970.

The Company produces copper plated zinc penny blanks for the U.S. Mint and Royal Canadian Mint, cans for use in zinc/carbon batteries, zinc strip and a line of industrial zinc products, including various products used in the plumbing, automotive, electrical component markets and European architectural markets.

The Company's largest customer is the U.S. Mint who comprised approximately 43% of the Company's zinc product net sales and approximately 9% of the Company's consolidated net sales. The Company is affected by fluctuations in penny blank requirements of the United States Department of the Treasury and the Federal Reserve System. Although the future use of the penny as legal tender has been debated in recent years, the zinc penny is still considered a cost effective currency unit by the U.S. Mint. The Company supplied approximately 80% of the U.S. Mint's total requirements in 1998, with one competitor producing the remainder. In September 1996, the U.S. Mint awarded the Company a five-year contract. In November 1998 this contract was extended two years, awarding the Company all the U.S. Mint requirements. The U.S. Mint supplies the zinc and copper used to produce the penny blanks under this contract. The Company won a multi-year contract in 1996 to produce copper plated zinc penny blanks for the Royal Canadian Mint and currently supplies all of this mint's requirements. The Company is currently pursuing other coinage opportunities in the United States and abroad.

Until recently, a significant portion of the Company's zinc product sales were battery cans sold to two manufacturers, which together account for a large percentage of the United States zinc/carbon battery production. During the last two years, the two battery manufacturers whose business represented 11.3% and 28.5% of the Company's 1998 and 1997 zinc product sales, respectively, notified the Company they were moving production of their zinc/carbon batteries to foreign countries. One of the two manufacturers ceased to purchase cans from the Company in 1998. The other manufacturer has significantly reduced the volume of cans purchased, eliminating three can sizes leaving only one can size for future Company sales. The domestic market for zinc/carbon batteries has declined in recent years and will continue to decline as U.S. manufacturers shift their emphasis toward the alkaline battery market.

In general, zinc offers superior performance and cost advantages relative to competing materials in the specific product applications in which the Company competes. Producers of other metals have not viewed zinc as a major competitor. Therefore, the Company has been able to target niche markets where a zinc-based product offers cost savings with little competitive reaction. Several new areas with potential high volume usage are being investigated as a result of product development programs and include counterpoise grounding of electrical transmission towers, electromagnetic interference shielding for electronic components and cathodic protection systems for bridges and other structures in coastal areas.

The Company is the largest United States zinc strip producer. There are only two other zinc strip producers in North America, neither of which has the physical facilities to compete for high volume customer requirements in close tolerance, high quality and specialty rolled products.

Raw Materials

Raw materials used by the Company's metal products segment include glass canning jars which are supplied under an agreement with Anchor Glass Container Corporation, tin-plate used to manufacture jar closures which is supplied under various supply agreements and zinc ingot which is readily available from a variety of sources. The Company's metal products segment is not experiencing any

shortage of raw materials.

Plastic Products Segment

The plastic product segment includes thermoformed industrial parts and propriety products, injection molded products and plastic packaging, each of which is discussed briefly below.

Thermoformed Industrial Parts and Propriety Products

The Company manufactures primarily thermoformed plastic door liners and evaporator trays for refrigerators in its Fort Smith, Arkansas, facility. Ball built this facility in 1974 as an expansion of Ball's plastics business started in 1952. Approximately 52% of the Company's 1998 thermoformed product sales were to one customer. The Company is well established in serving this account based on its focus to provide a high level of customer service, such as product tooling design, high quality standards, proximity and just-in-time delivery. Therefore, it enjoys a sole source position with this customer. Effective January 1, 1999, the Company entered into a new three-year supply agreement with this customer. In addition, sales of the Company's plastic tables continue to grow and other products are being developed to reduce dependency on a single customer.

On May 19, 1997, the Company purchased certain net assets of Viking Industries who manufactures thermoformed plastic tubs, shower stalls and other bath products sold to the manufactured housing, recreational vehicle, home, and marine industries under the "Capri bath products" name. The Company produces bath products at two facilities, one in El Dorado, Arkansas and the other in South Whitely, Indiana. These products are sold primarily through distributors to manufactured housing and recreational vehicle manufacturers. Historically, a large portion of the Company's bath products sales were to one distributor. During 1998, the Company redirected the distribution of its bath products from this distributor to various regional distributors and a direct sales strategy. The Company supplements the bath product sheet requirements with sheet produced by the Fort Smith facility.

Injection Molded Products

In 1978, Ball acquired Unimark Plastics, Inc., a plastic injection molding operation located in Reedsville, Pennsylvania. The Company's injection molding operations expanded in 1984 with a manufacturing facility in Greenville, South Carolina. Yorker(R) Closures, a proprietary product line of plastic closures, was acquired in 1988. In 1989, the Company began operations in Arecibo, Puerto Rico following major customers who established operations in Puerto Rico. Due to the limited growth potential, the Company ceased operations in this plant in January 1999. The Company completed construction of a new manufacturing facility during 1995, and began production early in 1996 in Springfield, Missouri. A major part of this facility is devoted to fulfilling supply agreements to produce internal components for shot gun shells for two major U.S. producers.

The Company manufactures precision custom injection molded components for major companies in the health care, consumer products and packaging markets.

Products for the health care industry, which includes such items as intravenous harness components and surgical devices, comprised approximately 54% of the Company's 1998 injection molded product sales. Consumer products include components for retail items and accounted for approximately 34% of the Company's 1998 injection molded product sales. The remaining sales were primarily closures. Sales to each of three major customers were greater than 10% and in the aggregate 54% of the Company's total 1998 injection molded product sales.

The market for injection molded plastics is highly competitive. The Company concentrates its marketing efforts in those markets that require high levels of precision, quality and cleanliness. There is potential for continued growth in all product lines, especially in the health care market, where the Company's quality, service and "clean room" molding operations are critical competitive factors. The Company believes that the quality and cleanliness of these facilities provide a competitive advantage with respect to this market. Except for Yorker(R) Closures, molds used by the Company to manufacture its products are owned by its customers.

Plastic Packaging

In 1978, Ball began the development of high-barrier coextruded plastic packaging and, in 1984, built a manufacturing facility in Muncie, Indiana, which was expanded in 1990. In 1991, Ball formed Plastic Packaging Products Co., a partnership with Continental Plastics Ventures, Inc. ("CPV"). The partnership was formed from the assets of Ball's high-barrier coextruded plastic packaging business in Muncie, Indiana and CPV's plastic business located in West Chicago, Illinois. In July 1992, Ball purchased CPV's interest in the partnership and concurrently announced the closure of the West Chicago facility and consolidated the plastic packaging business in Muncie, Indiana.

The Company produces high-barrier multilayer and monolayer plastic products, including sheet (sold directly to processed food manufacturers who "form, fill and seal" their own packages), formed containers (printed and unprinted) and retort containers (reheatable and microwaveable).

The Company's customers include major companies in the food and pet food businesses. Sales to each of two customers exceeded 10% and in the aggregate 87% of the Company's 1998 plastic packaging sales. Industry purchasing practices normally involve 1 to 3 year supply contracts, which are placed for competitive bid. The contracts provide for periodic price adjustment as a result of changes in the price of plastic resin, the most significant cost component. Long development, testing and introduction periods are common in order to qualify new food packaging products for acceptance by customers. Accordingly, the loss of one or more key customers would have a negative impact on the Company's gross margins in the short-term until new business is developed. The Company is well established in serving these accounts based on its focus to provide quality products with a high level of customer service and technical support at competitive prices. The Company has ongoing development projects for new product and market applications. The Company enjoys good relationships with customers and equipment manufacturers as a preferred source for plastic packaging materials.

Initially, the coextruded plastic business experienced competition as several manufacturers attempted to enter this emerging market, leading to excess capacity and thereby strengthening the substantial negotiating leverage of major customers. While the number of competitors has declined, the remaining industry capacity exceeds current demand with resulting competitive pressure, which is likely to continue. Management believes that continued growth in this business depends upon a number of factors, including recyclability of barrier plastics, competition with other packaging media, the desire by consumers for convenience packaging and the ability to develop and successfully market innovative forms of plastic packaging.

Raw Materials

Raw materials used in the Company's plastic products segment consist primarily of plastic resins, most of which are available from a variety of sources at competitive prices. Currently, the plastic products segment is not experiencing any shortage of raw materials.

Capital Expenditures

The Company's businesses generally are not significantly affected by rapid technological change. Consequently, capital spending derives from the need to replace existing assets, expand capacity, manufacture new products, improve quality and efficiency, facilitate cost reduction and meet regulatory requirements.

Patents and Trademarks

The Company believes that none of its active patents or trademarks is essential to the successful operation of its business as a whole. However, one or more patents or trademarks may be material in relation to individual products or product lines such as property rights to use the Kerr brand, Ball brand, and Fruit-Fresh(R) brand names, and the Bernardin trade name in connection with certain goods to be sold, including home horticultural and food preservation supplies, kitchen housewares and packaged foods for human consumption. In the event of a change of control of the Company which has not received the approval of a majority of the board of directors of the Company, Ball and Kerr have the option to require the re-transfer of the right to use the Ball(TM) and Kerr(R) brand names, respectively.

Government Contracts

The Company enters into contracts with the United States Government which contain termination provisions customary for government contracts. See "Metal Products Segment -- Zinc Products." The United States Government retains the right to terminate such contracts at its convenience. However, if the contract is terminated, the Company is entitled to be reimbursed for allowable costs and profits to the date of termination relating to authorized work performed to such date. The United States Government contracts are also subject to reduction or modification in the event of changes in government requirements or budgetary constraints. None of the United States Government contracts with the Company have been terminated since the inception of the penny blank supply arrangement in 1981.

Backlog

The Company sells under supply contracts for minimum (generally exceeded) or indeterminate quantities and, accordingly, is unable to furnish backlog information.

Research and Development

Research and development costs are expensed as incurred in connection with the Company's internal programs for the development of products and processes and have not been significant in recent years.

Environmental Matters

Compliance with federal, state and local provisions, which have been enacted or adopted relating to protection of the environment, has not had a material adverse effect on the Company.

In 1990, Congress passed amendments to the Clean Air Act, which imposed more stringent standards on air emissions. The Clean Air Act amendments will primarily affect the operation of one of the Company's manufacturing facilities. Although many of the specific standards to be promulgated as a result of the Clean Air Act amendments are still unknown, environmental control systems and capture systems in place currently meet the new standards.

Non-recyclable packaging components, such as multilayer plastic, may become targets for legislation which would prohibit, tax or restrict the sale or use of certain types of packaging materials. The Company believes that if such legislation were passed it would be on a state by state basis and it would not have an immediate material adverse effect on the Company. There can be no assurance, however, that such restrictive legislation would not be enacted at a national level.

Currently, neither the federal government nor 48 states call wastes "hazardous" on the basis of zinc content. California and Michigan do label wastes as "hazardous" because of zinc content, however, regulators in both states have indicated movement away from this classification. The Company believes there is adequate regulation under existing clean water and air statutes to control the disposal of zinc and that more restrictive regulation is unnecessary. There can be no assurance, however, that additional restrictive legislation will not become law. Such legislation could reduce the demand for the Company's products and increase its operating costs.

The EPA has designated Ball a potentially responsible party, along with numerous other companies, for the cleanup of hazardous waste sites with which the Company may have been associated. Pursuant to the terms of the Distribution Agreement with Ball, the Company assumed responsibility for any potential costs or liabilities arising from existing or future environmental claims relating to the businesses comprising the Company or prior facilities. However, the Company's information at this time does not indicate these matters will have a material adverse effect upon financial condition, results of operations, capital expenditures or competitive position of the Company.

Employees

As of December 1998, the Company employed approximately 1,100 people. Approximately 260 union workers are covered by two collective bargaining agreements at the Company's zinc products and consumer products closure manufacturing facilities. These agreements expire at the consumer products facility (Muncie, Indiana) on October 14, 2001, and at the zinc products facility (Greeneville, Tennessee) on October 4, 2003. The Company has not experienced a work stoppage during the past three years. Management believes that its relationships with the Company's collective bargaining units are good.

Item 2. Properties

The Company's properties are well maintained, considered adequate and being utilized for their intended purposes. The Company's corporate headquarters is located in Indianapolis, Indiana and is occupied under a lease agreement. Information regarding the approximate size of significant manufacturing and warehousing facilities is provided below. All major manufacturing facilities are owned or leased by the Company.

Plant Location	Business Segment/ Product Line	Approximate Floor Space in Square Feet
Greeneville, Tennessee	Metal Products/Zinc Products	320,000
Fort Smith, Arkansas	Plastic Products/Industrial Thermoformed Parts	140,000
El Dorado, Arkansas (leased)	Plastic Products/Industrial Thermoformed Parts	94,000
South Whitely, Indiana (leased)	Plastic Products/Industrial Thermoformed Parts	67,000
Reedsville, Pennsylvania	Plastic Products/Injection Molded Products	73,000
Greenville, South Carolina	Plastic Products/Injection Molded Products	48,000
Springfield, Missouri	Plastic Products/Injection Molded Products	43,000
Muncie, Indiana	Plastic Products/Plastic Packaging	162,000
Muncie, Indiana	Metal Products/Consumer Products	173,000
Toronto, Canada (leased)	Metal Products/Consumer Products	30,000

The Company has initiated a plan to close its injection molding facility located in Arecibo, Puerto Rico. The facility lease expires on March 31, 1999.

Item 3. Legal Proceedings

In the ordinary course of business, the Company has been and is involved in various legal disputes, including disputes related to allegations of noncompliance with environmental and employment laws and regulations. Pursuant to the terms of the Distribution Agreement with Ball, the Company assumed liability, if any, for certain claims arising from the Company's businesses and certain predecessor businesses. Management does not presently expect any potential loss or settlement in connection with such disputes to have a material adverse effect on the Company.

Item 4. Submission of Matters to Vote of Security Holders

There were no matters submitted to the security holders during the fourth quarter of 1998.

PART II

Item 5. Market for the Registrant's Common Stock and Related Stockholder Matters

Alltrista Corporation common stock is traded on the New York Stock Exchange under the symbol "ALC". There were 4,335 common shareholders of record on March 19, 1999. The Company currently does not and does not intend to pay cash dividends on its common stock in the foreseeable future. Cash generated from operations will be invested to support competitiveness and growth. In addition, the Company will purchase its own common stock into treasury to offset the dilutive effect of shares issued under employee benefit plans. The Company will also periodically repurchase additional shares as a flexible and tax efficient means of distributing excess cash to shareholders.

Other information required by Item 5 appears under the caption "Quarterly Stock Prices" on page 25 of the 1998 Annual Report to Shareholders and is incorporated herein by reference.

Item 6. Selected Financial Data

The information required by Item 6 appears in the section titled "Six Year Review of Selected Financial Data" on page 27 of the 1998 Annual Report to shareholders and is incorporated herein by reference.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Management's Discussion and Analysis of Financial Condition and Results of Operations, on pages 10 through 13 of the 1998 Annual Report to Shareholders is incorporated herein by reference.

Market Risk Information

In general, business enterprises can be exposed to market risks including fluctuations in commodity prices, foreign currency values, and interest rates that can affect the cost of operating, investing, and financing. The Company's exposures to these risks are minimal. Over 90% of the Company's zinc business is conducted on a tolling basis whereby customers supply zinc to the Company for processing or supply contracts provide for fluctuations in the price of zinc to be passed on to the customer.

The Company invests in short-term financial instruments with original maturities usually less than thirty days. The Company's borrowings under the long-term financing agreement carry a fixed interest rate. As a result, the Company's exposure to interest rate fluctuations is insignificant.

The Company does not invest in any derivative financial or commodity instruments nor does it invest in any foreign financial instruments.

Item 8. Financial Statements and Supplementary Data

The consolidated financial statements and notes thereto, appearing on pages 14 through 27 of the 1998 Annual Report to Shareholders, together with the report thereon of Ernst & Young LLP dated February 1, 1999 appearing on page 27 of the 1998 Annual Report to Shareholders, are incorporated herein by reference.

The report of Price Waterhouse LLP, the Company's independent accountants during the financial statement periods covering the two years ended December 31, 1997 follows:

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Shareholders of Alltrista Corporation

In our opinion, the consolidated balance sheet and the related consolidated statements of income, of comprehensive income, of changes in shareholders' equity and of cash flows, prior to restatement (not presented separately herein), present fairly, in all material respects, the financial position, results of operations and cash flows of Alltrista Corporation and its subsidiaries as of and for each of the two years in the period ended December 31, 1997, in conformity with generally accepted accounting principles. These financial statements are the responsibility of the company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe our audits provide a reasonable basis for the opinion expressed above. We have not audited the consolidated financial statements of Alltrista Corporation and its subsidiaries for any period subsequent to December 31, 1997 nor have we examined any adjustments applied to the financial statements as of and for each of the two years in the period ended December 31, 1997.

/s/ Price Waterhouse LLP
Indianapolis, Indiana
January 30, 1998

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

A change in the Company's certifying accountant was disclosed in a Form 8-K (Commission File Number 0-21052) dated March 18, 1998.

PART III

Item 10. Directors and Executive Officers of the Registrant

The executive officers of the company are as follows:

Thomas B. Clark, age 53, is president and chief executive officer of the Company. Mr. Clark has been president since March 1994 and became chief executive officer on January 1, 1995. From April 1993 to March 1994, Mr. Clark served as senior vice president and chief financial officer. Mr. Clark served as vice president of Ball from August 1992 until April 1993. Mr. Clark joined Ball in August 1976 as director of planning, was elected vice president, planning and development in April 1985 and served as vice president, communications, planning and development from May 1989 until August 1992. Mr. Clark also serves as a director of First Merchants Corporation, Muncie, Indiana.

Kevin D. Bower, age 40, is senior vice president and chief financial officer of the Company. From March 1994 to April 1997 Mr. Bower served as vice president of finance and controller of the Company. From April 1993 to March 1994 Mr. Bower served as vice president and controller of the Company. Mr. Bower joined Ball in November 1992. Prior to that time, he served as a senior manager with the public accounting firm of Price Waterhouse.

Jerry T. McDowell, age 57, is group vice president, metal products, of the Company. From December 1994 to March 1998 Mr. McDowell served as senior vice president and chief operating officer of the Company. Mr. McDowell served as president of Zinc Products Company from April 1993 to December 1994. Since joining Ball in 1970, Mr. McDowell served in various operating positions within the Company's Zinc Products division. From July 1979 to April 1993, Mr. McDowell served as president of Ball's Zinc Products division.

John F. Zappala, age 54, joined the Company in October 1998 as group vice president, plastic products. From 1992 until 1998 he served as vice president and general manager of the Royalite Division of Uniroyal Technology Corporation. From 1987 to 1992 Mr. Zappala was with Sprague Electric, his last position with that company being vice president and director of sales operations. From 1980 to 1987 Mr. Zappala was with General Electric, his last position there being manager, field market development of specialty plastics.

Angela K. Knowlton, age 36, is vice president and treasurer of the Company. From August 1994 to April 1997 Ms. Knowlton served as director, taxation. From August 1993 to August 1994 Ms. Knowlton served as manager, taxation. Prior to joining the Company in August 1993, Ms. Knowlton served as a manager with the public accounting firm of Price Waterhouse.

Larry D. Miller, age 64, is vice president, communications and investor relations of the Company. Prior to joining Alltrista when the Company began operations on April 2, 1993, Mr. Miller served as director of corporate communications for Ball. He joined Ball in November 1979.

J. David Tolbert, age 38, is vice president, human resources and administration of the Company. From April 1997 to October 1998 Mr. Tolbert served as vice president, human resources and corporate risk of the Company. From October 1993 to April 1997 Mr. Tolbert served as director of human resources of the Company. Since joining Ball in 1987, Mr. Tolbert served in various human resource and operating positions of Ball's and the Company's Plastic Packaging division.

Other information required by Item 10 appearing under the caption "Director Nominees and Continuing Directors" on pages 4 and 5 of the Company's proxy statement filed pursuant to Regulation 14A, dated March 31, 1999, is incorporated herein by reference. The proxy statement will be filed with the Commission no later than March 31, 1999.

Item 11. Executive Compensation

The information required by Item 11 appearing under the caption "Executive Compensation" on pages 9 through 14 of the Company's proxy statement filed pursuant to Regulation 14A dated March 31, 1999 is incorporated herein by reference. The proxy statement will be filed with the Commission no later than March 31, 1999.

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" on page 6 of the Company's proxy statement filed pursuant to Regulation 14A dated March 31, 1999, is incorporated herein by reference. The proxy statement will be filed with the Commission no later than March 31, 1999.

Item 13. Certain Relationships and Related Transactions

No disclosure required under Item 13.

PART IV

Item 14. Exhibits, Financial Statement Schedules and Reports on Form 8-K

(a) List of documents filed as part of this report.

(1) Financial Statements

The following documents are filed as part of this report and incorporated herein by reference from the indicated pages of the Company's 1998 Annual Report to Shareholders.

	Page(s) in Annual Report -----
Consolidated statements of income - Years ended December 31, 1998, 1997 and 1996	14
Consolidated balance sheets - December 31, 1998 and 1997	15
Consolidated statements of cash flows - Years ended December 31, 1998, 1997 and 1996	16
Consolidated statements of changes in shareholders' equity - Years ended December 31, 1998, 1997 and 1996	17
Consolidated statements of comprehensive income - Years ended December 31, 1998, 1997 and 1996	17
Notes to consolidated financial statements	18 to 27
Report of independent accountants	27

(2) Financial Statement Schedule:

See the Index to the Financial Statement Schedule on page 13 of this Form 10-K, which is incorporated by reference herein.

(3) Exhibits:

See the Index to Exhibits on pages 16 and 17 of this Form 10-K, which is incorporated by reference herein.

(b) Reports on Form 8-K

There were no reports on Form 8-K filed during the fourth quarter of the year ended December 31, 1998.

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.

ALLTRISTA CORPORATION
(Registrant)

By: /s/ Thomas B. Clark

Thomas B. Clark
President and Chief Executive Officer
March 29, 1999

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

(1) Principal Executive Officer:

/s/ Thomas B. Clark President and Chief Executive Officer

Thomas B. Clark March 29, 1999

(2) Principal Financial Accounting Officer:

/s/ Kevin D. Bower Senior Vice President
----- and Chief Financial Officer
Kevin D. Bower March 29, 1999

(3) Board of Directors:

/s/ William L. Peterson Chairman and Director

William L. Peterson March 29, 1999

/s/ Thomas B. Clark President, Chief Executive Officer
----- and Director
Thomas B. Clark March 29, 1999

/s/ William A. Foley Director

William A. Foley March 29, 1999

/s/ Richard L. Molen Director

Richard L. Molen March 29, 1999

/s/ Lynda Watkins Popwell Director

Lynda Watkins Popwell March 29, 1999

/s/ Patrick W. Rooney Director

Patrick W. Rooney March 29, 1999

/s/ David L. Swift Director

David L. Swift March 29, 1999

ALLTRISTA CORPORATION AND SUBSIDIARIES
ANNUAL REPORT ON FORM 10-K
FOR THE YEAR ENDED DECEMBER 31, 1998

Index to the Financial Statement Schedule

	Form 10-K Page -----
Reports of Independent Accountants on the Financial Statement Schedule	14*
Schedule II Valuation and Qualifying Accounts and Reserves	15

The financial statement schedule should be read in conjunction with the consolidated financial statements in the 1998 Annual Report to Shareholders. Schedules not included in this additional financial data have been omitted because they are not applicable or the required information is shown in the consolidated financial statements or notes thereto.

* The report of Ernst & Young LLP on the financial statement schedule is filed as Exhibit 23.1 with this Annual Report on Form 10-K.

Report of Independent Accountants on the
Financial Statement Schedule

To the Board of Directors of
Alltrista Corporation

Our audits of the consolidated financial statements referred to in our report of January 30, 1998 included in this Annual Report on Form 10-K also included an audit of the Financial Statement Schedule listed in Item 14(a)(2) of this Form 10-K. In our opinion, this Financial Statement Schedule presents fairly, in all material respects, the information set forth therein, as of and for the two years ended December 31, 1997, when read in conjunction with the related consolidated financial statements.

/s/ Price Waterhouse LLP

Indianapolis, Indiana
January 30, 1998

ALLTRISTA CORPORATION AND SUBSIDIARIES
 VALUATION AND QUALIFYING ACCOUNTS AND RESERVES
 (thousands of dollars)

	Balance at beginning of period	Charges to costs and expense	Deductions from reserves	Balance at end of period
	-----	-----	-----	-----
Reserves against accounts receivable:				
1998	\$ (1,023)	\$ (400)	\$ 342	\$ (1,081)
1997	\$ (1,129)	\$ (542)	\$ 648	\$ (1,023)
1996	\$ (1,377)	\$ (1,589)	\$ 1,837	\$ (1,129)

ALLTRISTA CORPORATION AND SUBSIDIARIES
ANNUAL REPORT ON FORM 10-K
FOR THE YEAR ENDED DECEMBER 31, 1998

Index to Exhibits

Exhibit Number	Description of Exhibit
3.1	Form of Amended Articles of Incorporation (filed as Exhibit 3.1 to the Company's Registration Statement on Form 10, Filing No. 0-21052, and incorporated herein by reference), filed October 20, 1992
3.2	Form of Bylaws of Alltrista Corporation (filed as Exhibit 3.2 to the Company's Annual Report on Form 10-K, Filing No. 0-21052, and incorporated herein by reference), filed March 31, 1996
4.1	Form of Common Stock Certificate of Alltrista Corporation (filed as Exhibit 4.1 to the Company's Registration Statement on Form 10, Filing No. 0-21052, and incorporated herein by reference), filed March 17, 1993
4.2	Form of Rights Agreement (filed as Exhibit 4.2 to the Company's Registration Statement on Form 10, Filing No. 0-21052, and incorporated herein by reference), filed October 20, 1992
10.1	Form of Alltrista Corporation 1993 Economic Value Added Incentive Compensation Plan for Key Members of Management (filed as Exhibit 10.1 to the Company's Annual Report on Form 10-K, Filing No. 0-21052, and incorporated herein by reference), filed March 31, 1996
10.2	Form of Alltrista Corporation 1993 Stock Option Plan for Nonemployee Directors (filed as Exhibit 10.2 to the Company's Registration Statement on Form 10, Filing No. 0-21052, and incorporated herein by reference), filed March 17, 1993
10.3	Form of Alltrista Corporation 1993 Stock Option Plan (filed as Exhibit 10.3 to the Company's Registration Statement on Form 10, Filing No. 0-21052, and incorporated herein by reference), filed March 17, 1993
10.4	Form of Alltrista Corporation 1996 Stock Option Plan for Nonemployee Directors (filed as Exhibit 10.4 to the Company's Annual Report on Form 10-K, Filing No. 0-21052, and incorporated herein by reference), filed March 27, 1997
10.5	Form of Alltrista Corporation 1993 Restricted Stock Plan (filed as Exhibit 10.4 to the Company's Registration Statement on Form 10, Filing No. 0-21052, and incorporated herein by reference), filed March 17, 1993
10.6	Form of Change of Control Agreement
10.7	List of Alltrista Corporation employees party to Exhibit 10.6
10.8	Form of Distribution Agreement between Ball Corporation and Alltrista Corporation (filed as Exhibit 10.7 to the Company's Registration Statement on Form 10, Filing No. 0-21052, and incorporated herein by reference), filed March 17, 1993
10.9	Form of Tax Sharing and Indemnification Agreement between Ball Corporation and Alltrista Corporation (filed as Exhibit 10.10 to the Company's Registration Statement on Form 10, Filing No. 0-21052, and incorporated herein by reference), filed March 17, 1993

Exhibit Number	Description of Exhibit
10.10	Form of Indemnification Agreement (filed as Exhibit 10.13 to the Company's Registration Statement on Form 10, Filing No. 0-21052, and incorporated herein by reference), filed March 17, 1993
10.11	List of Directors and Executive Officers party to Exhibit 10.10 (filed as Exhibit 10.10 to the Company's Annual Report on Form 10-K, Filing No. 0-21052, and incorporated herein by reference), filed March 31, 1996
10.12	Form of Alltrista Corporation 1993 Deferred Compensation Plan for Selected Key Employees (filed as Exhibit 10.11 to the Company's Annual Report on Form 10-K, Filing No. 0-21052, and incorporated herein by reference), filed March 31, 1996
10.13	Form of Alltrista Corporation 1993 Deferred Compensation Plan as amended (filed as Exhibit 10.13 to the Company's Annual Report on Form 10-K, Filing No. 0-21052, and incorporated herein by reference), filed March 27, 1997
10.14	Alltrista Corporation 1997 Deferred Compensation Plan for Directors (filed as Exhibit 10.14 to the Company's Annual Report on Form 10-K, Filing No. 0-21052, and incorporated herein by reference), filed March 30, 1998
10.15	Alltrista Corporation Excess Savings and Retirement Plan (filed as Exhibit 10.15 to the Company's Annual Report on Form 10-K, Filing No. 0-21052, and incorporated herein by reference), filed March 30, 1998
10.16	Alltrista Corporation 1998 Long Term Equity Incentive Plan (filed as Appendix A to the Company's Proxy Statement dated April 8, 1998, Filing No. 0-21052, and incorporated herein by reference), filed April 6, 1998
13.1	Alltrista Corporation 1998 Annual Report to Shareholders (The Annual Report to Shareholders, except for those portions thereof incorporated by reference, is furnished for the information of the Commission and is not to be deemed filed as part of this Form 10-K).
21.1	Subsidiaries of Alltrista Corporation
23.1	Consent of Independent Accountants
23.2	Consent of Independent Accountants
27.1	Financial Data Schedule (electronic copy only)
27.2	Financial Data Schedule (electronic copy only) - Restated Interim 1998 Results for Discontinued Operations
27.3	Financial Data Schedule (electronic copy only) - Restated 1997 Results for Discontinued Operations
27.4	Financial Data Schedule (electronic copy only) - Restated 1996 Results for Discontinued Operations

Copies of exhibits incorporated by reference can be obtained from the SEC and are located in SEC File No. 0-21052.

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FORM OF CHANGE OF CONTROL AGREEMENT

PERSONAL AND CONFIDENTIAL

[Date]

[Name of Individual]

[Title]

Alltrista Corporation
5875 Castle Creek Parkway, North Drive, Suite 440
Indianapolis, IN 46250

Dear [Name]:

Alltrista Corporation (the "Corporation") considers it essential to the best interests of its stockholders to foster the continuous employment of key management personnel. In this connection, the Board of Directors of the Corporation (the "Board") recognizes that the possibility of a change in control of the Corporation exists and that such possibility, and the uncertainty and questions which it may raise among management, may result in the departure or distraction of management personnel to the detriment of the Corporation and its stockholders.

The Board has determined that appropriate steps should be taken to reinforce and encourage the continued attention and dedication of members of the Corporation's management, including yourself, to their assigned duties without distraction in the face of potentially disturbing circumstances arising from the possibility of a change in control of the Corporation.

In order to induce you to remain in the employ of the Corporation, the Corporation agrees that you shall receive the severance benefits set forth in this letter agreement (the "Agreement"), which amends and restates the agreement between you and the Corporation dated as of May 10, 1993, in the event your employment with the Corporation is terminated under the circumstances described below subsequent to a "Change in Control of the Corporation" (as defined in Section 2).

1. Term of Agreement. The Agreement shall continue in effect through December 31, 1997; provided, however, that commencing on December 31, 1997, and each December 31 thereafter, the term of this Agreement shall automatically be extended for one additional year unless, not later than October 31 immediately preceding such December 31, and every October 31, thereafter, the Corporation shall have given notice that it does not wish to extend this Agreement; and provided, further, that if a Change in Control of the Corporation as defined in Section 2, shall have occurred during the original or extended term of this Agreement, this Agreement shall continue in effect for a period of not less than twenty-four (24) months beyond the month in which such Change in Control occurred.

2. Change in Control. No benefits shall be payable hereunder unless there shall have been a Change in Control of the Corporation, as set forth below. For purposes of this Agreement, a "Change in Control of the Corporation" shall be deemed to have occurred upon the first to occur of the following events:

(i) any "person," as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (other than the Corporation, any trustee or other fiduciary holding securities under an employee benefit plan of the Corporation or any subsidiary of the Corporation, or any corporation owned, directly or indirectly, by the stockholders of the Corporation in substantially the same proportions as their ownership of stock of the Corporation), is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Corporation representing 30 percent or more of the combined voting power of the Corporation's then outstanding securities;

(ii) at any time during any period of two consecutive years, individuals, who at the beginning of such period constitute the Board, and any new director (other than a director designated by a person who has entered into an agreement with the Corporation to effect a transaction described in Subsection (i), (iii) or (iv) of this Section) whose election by the Board or nomination for election by the Corporation's stockholders was approved by a vote of at least two-thirds (2/3) of the directors at the beginning of the period or whose election or nomination for election was previously so approved cease for any reason to constitute at least a majority thereof;

(iii) the stockholders of the Corporation approve a merger or consolidation of the Corporation with any other corporation, other than

(1) a merger or consolidation which would result in the voting securities of the Corporation outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 50 percent of the combined voting power of the voting securities of the Corporation or such surviving entity outstanding immediately after such merger or consolidation or (2) a merger or consolidation effected to implement a recapitalization of the Corporation (or similar transaction) in which no person acquires 50 percent or more of the combined voting power of the Corporation's then outstanding securities; or

(iv) the stockholders of the Corporation approve a plan of complete liquidation of the Corporation or an agreement for the sale or disposition by the Corporation of all or substantially all of the Corporation's assets.

3. Takeover Threat. For purposes of this Agreement, a "Takeover Threat" shall be deemed to have occurred if (i) the Corporation enters into an agreement, the consummation of which would result in the occurrence of a Change in Control of the Corporation; (ii) any person (including the Corporation) publicly announces an intention to take or to consider taking actions which, if consummated, would constitute a Change in Control of the Corporation; (iii) any "person," as such term is used in Sections 13(d) and 14(d) of the Exchange Act (other than the Corporation, any trustee or other fiduciary holding securities under an employee benefit plan of the Corporation, or any subsidiary of the Corporation, or any corporation owned, directly or indirectly, by the stockholders of the Corporation in substantially the same proportions as their ownership of stock of the Corporation), who is or has become the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly of securities of the Corporation representing 10 percent or more of the combined voting power of the Corporation's then outstanding securities increases such ownership by 5 percentage points or more of such voting power over a period of less than twenty-four (24) months; or (iv) the Board adopts a resolution to the effect that a Takeover Threat for purposes of this Agreement has occurred. Solely for purposes of determining your entitlement to payment of severance benefits pursuant to this Agreement, you agree that, subject to the terms and conditions of the Agreement, in the event of a Takeover Threat, you will remain in the employ of the Corporation for a period of one (1) year from the occurrence of such Takeover Threat, or until an actual Change in Control of the Corporation, whichever occurs earlier.

4. Termination Following Change in Control.

(i) General. If any of the events described in Section 2 constituting a Change in Control of the Corporation shall have occurred, you shall be entitled to the benefits provided in Section 5(iii) upon the subsequent termination of your employment during the term of this Agreement unless such termination is (a) because of your death or Disability, (b) by the Corporation for Cause, or (c) by you other than on account of Constructive Termination. In the event your employment with the Corporation is terminated for any reason at any time prior to the occurrence of a Change in Control of the Corporation and subsequently a Change in Control of the Corporation shall have occurred, you shall not be entitled to any benefits hereunder.

(ii) Disability. If, as a result of your incapacity due to physical or mental illness, you shall have been absent from the full-time performance of your duties with the Corporation for six (6) consecutive months, and within thirty (30) days after written notice of termination is given you shall not have returned to the full-time performance of your duties, your employment may be terminated for "Disability."

(iii) Cause. Termination by the Corporation of your employment for "Cause" shall mean termination (a) upon your conviction of a felony in conjunction with your services to the Corporation, including the entry of a guilty or nolo contendere plea, or (b) your engaging in conduct that constitutes willful gross neglect or willful gross misconduct in carrying out your duties, resulting, in either case, in material harm to the Corporation, monetarily or otherwise, unless you reasonably believed in good faith that such act or non-act was in (or not opposed to) the best interests of the Corporation. For purposes of this Subsection, no act, or failure to act, on your part shall be deemed "willful" unless done, or omitted to be done, by you not in good faith and without reasonable belief that your action or omission was in the best interest of the Corporation. Notwithstanding the foregoing, you shall not be deemed to have been terminated for Cause unless and until there shall have been delivered to you a copy of a resolution duly adopted by the affirmative vote of not less than three-quarters (3/4) of the entire membership of the Board at a meeting of the Board called and held for such purpose (after reasonable notice to you and an opportunity for you, together with your counsel, to be heard before the Board), finding that in the good faith opinion of the Board you were guilty of conduct set forth above in this Subsection and specifying the particulars thereof in detail.

(iv) Constructive Termination. You shall be entitled to terminate your employment upon the occurrence of Constructive

Termination. For purposes of this Agreement, "Constructive Termination" shall mean, without your expressed written consent, the occurrence after a Change in Control of the Corporation of any of the following circumstances unless, in the case of paragraphs (a), (e), (f), (g) or (h), such circumstances are fully corrected prior to the Date of Termination (as defined in Subsection (vi) hereof) specified in the Notice of Termination (as defined in Subsection (v) hereof) given in respect thereof:

(a) the assignment to you of any duties inconsistent (unless in the nature of a promotion) with the position in the Corporation that you held immediately prior to the Change in Control of the Corporation, or a significant adverse reduction or alteration in the nature or status of your position, duties or responsibilities or the conditions of your employment from those in effect immediately prior to such Change in Control;

(b) a reduction by the Corporation in your annual base salary as in effect immediately prior to the Change in Control of the Corporation or as the same may be increased from time to time, except for across-the-board salary reductions similarly affecting all management personnel of the Corporation and all management personnel of any person in control of the Corporation;

(c) the Corporation's requiring that your principal place of business be at an office located more than twenty (20) miles from the location where your principal place of business is located immediately prior to the Change in Control of the Corporation, except for required travel on the Corporation's business to an extent substantially consistent with your present business travel obligations;

(d) the failure by the Corporation to pay to you any portion of your current compensation except pursuant to an across-the-board compensation deferral similarly affecting all management personnel of the Corporation and all management personnel of any person in control of the Corporation or to pay to you any portion of an installment of deferred compensation under any deferred compensation program of the Corporation within seven (7) days of the date such compensation is due;

(e) the failure by the Corporation to continue in effect any compensation or benefit plan in which you participate immediately prior to the Change in Control of the Corporation that is material to your total compensation, unless an equitable arrangement (embodied in an ongoing substitute or alternative plan) has been made with respect to such plan, or the failure by the Corporation to continue your participation therein (or in such substitute or alternative plan) on a basis not materially less favorable, both in terms of the amount of benefits provided and the level of your participation relative to other participants, as existed at the time of the Change in Control of the Corporation;

(f) the failure by the Corporation to continue to provide you with benefits substantially similar to those enjoyed by you under any of the Corporation's life insurance, medical, health and accident, or disability plans in which you were participating at the time of the Change in Control of the Corporation, the taking of any action by the Corporation which would directly or indirectly materially reduce any of such benefits or deprive you of any material fringe benefit enjoyed by you at the time of the Change in Control of the Corporation, or the failure by the Corporation to provide you with the number of paid vacation days to which you are entitled on the basis of years of service with the Corporation in accordance with the Corporation's normal vacation policy in effect at the time of the Change in Control of the Corporation;

(g) the failure of the Corporation to continue this Agreement in effect, or to obtain a satisfactory agreement from any successor to assume and agree to perform this Agreement, as contemplated in Section 6 hereof, or

(h) any purported termination of your employment that is not effected strictly in accordance with the terms of this Agreement and pursuant to a Notice of Termination satisfying the requirements of Subsection (v) hereof (and, if applicable, the requirements of Subsection (iii) hereof), which purported termination shall not be effective for purposes of this Agreement.

Your right to terminate your employment pursuant to this Subsection shall not be affected by your incapacity due to physical or mental illness. Your continued employment shall not constitute consent to, or a waiver of rights with respect to, any circumstance constituting Constructive Termination hereunder.

(v) Notice of Termination. Any purported termination of your employment by the Corporation or by you shall be communicated by written Notice of Termination to the other party hereto in accordance with Section 7. "Notice of Termination" shall mean a notice that shall indicate the specific termination provision in this Agreement relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of your

employment under the provision so indicated.

(vi) Date of Termination. "Date of Termination" shall mean (a) if your employment is terminated for Disability, thirty (30) days after Notice of Termination is given (provided that you shall not have returned to the full-time performance of your duties during such thirty (30-day period), and (b) if your employment is terminated pursuant to Subsection (iii) or (iv) hereof or for any other reason (other than Disability), the date specified in the Notice of Termination (which, in the case of a termination for Cause shall not be less than thirty (30) days from the date such Notice of Termination is given, and in the case of a termination on account of Constructive Termination shall not be less than fifteen (15) nor more than sixty (60) days from the date such Notice of Termination is given); provided, however, that if within fifteen (15) days after any Notice of Termination is given, or, if later, prior to the Date of Termination (as determined without regard to this proviso), the party receiving such Notice of Termination notifies the other party that a dispute exists concerning the termination, then the Date of Termination shall be the date on which the dispute is finally determined, either by mutual written agreement of the parties, or by a binding arbitration award; and provided, further, that the Date of Termination shall be extended by a notice of dispute only if such notice is given in good faith and the party giving such notice pursues the resolution of such dispute with reasonable diligence. Notwithstanding the pendency of any such dispute, the Corporation will continue to pay you your full compensation in effect when the notice giving rise to the dispute was given (including, but not limited to, base salary), and continue you as a participant in all compensation, benefit and insurance plans in which you were participating when the notice giving rise to the dispute was given, until the dispute is finally resolved in accordance with this Subsection. Amounts paid under this Subsection, in addition to all other amounts due under this Agreement, shall not be offset against or reduce any other amounts due under this Agreement and shall not be reduced by any compensation earned by you as the result of employment by another employer.

5. Compensation Upon Termination or During Disability. Following a Change in Control of the Corporation, you shall be entitled to the following benefits during a period of disability, or upon termination of your employment, as the case may be, provided that such period or termination occurs during the term of this Agreement or, if earlier, within one year following such Change in Control of the Corporation:

(i) During any period that you fail to perform your full-time duties with the Corporation as a result of incapacity due to physical or mental illness, you shall continue to receive your base salary at the rate in effect at the commencement of any such period, reduced to the extent disability benefits are actually received by you during this period, until this Agreement is terminated pursuant to Section 4(ii) hereof. Thereafter, or in the event your employment shall be terminated by reason of your death, your benefits shall be determined under the Corporation's retirement, insurance, disability and other compensation programs then in effect in accordance with the terms of such programs.

(ii) If your employment shall be terminated by the Corporation for Cause or by you other than on account of Constructive Termination, the Corporation shall pay you your full base salary through the Date of Termination at the rate in effect at the time Notice of Termination is given, plus all other amounts to which you are entitled under any compensation or benefit plan of the Corporation at the time such payments are due, and the Corporation shall have no further obligations to you under this Agreement.

(iii) If your employment by the Corporation shall be terminated by you on account of Constructive Termination or by the Corporation other than for Cause or Disability, then you shall be entitled to the benefits provided below:

(a) no later than the fifth day following the Date of Termination, the Corporation shall pay to you your full base salary through the Date of Termination at the rate in effect at the time Notice of Termination is given, plus all other amounts to which you are entitled under any incentive, bonus or other compensation plan of the Corporation, at the time such payments are due;

(b) in lieu of any further salary payments to you for periods subsequent to the Date of Termination, the Corporation shall pay as severance pay to you, at the time specified in Subsection (iv) hereof, a lump sum severance payment (together with the payments provided in paragraph (c), below, the "Severance Payments") equal to three (3) times the sum of (1) your annual salary rate (including for this purpose any deferred salary) as in effect as of the Date of Termination, immediately prior to the Change in Control of the Corporation or immediately prior to the first occurrence of an event or circumstance constituting Constructive Termination, whichever is greatest, and (2) your annual target bonus under the

applicable bonus or incentive compensation plans in respect of the calendar year preceding that in which occurs the Date of Termination, the Change in Control or the first occurrence of an event or circumstance constituting Constructive Termination, whichever date yields the greatest annual target bonus;

(c) notwithstanding any provision of any annual or long-term incentive plan to the contrary, in lieu of any payments under any bonus or incentive compensation plan in effect for the year in which your Date of Termination occurs, the Corporation shall pay you in a lump sum, in cash, at the time specified in Subsection (iv) hereof, (1) a pro rata portion (based on the number of whole months, with a partial month treated as a whole month, elapsed since the first day of the calendar year in which the Date of Termination occurs) of the target amount of all contingent awards granted under such plans for all uncompleted periods, plus (2) the value (assuming such value is a positive number) of any undistributed bonus bank balance (or other amount or amounts that have accumulated on your behalf), whether or not you would then have been entitled to a distribution thereof, under the Alltrista Corporation 1993 Economic Value Added Incentive Compensation Plan for Key Members of Management, or any successor thereto;

(d) in lieu of shares of common stock of the Corporation ("Corporation Shares") issuable upon the exercise of outstanding options ("Options"), if any, granted to you under any Corporation stock option plan (which Options shall be cancelled upon the making of the payment referred to below), you shall receive within the time provided for in Subsection (iv) hereof an amount in cash equal to the product of (A) the excess of the higher of the closing price of Corporation Shares as reported on the NASDAQ National Market System, the American Stock Exchange or The New York Stock Exchange, wherever listed, on or nearest the Date of Termination or the highest per share price for Corporation Shares actually paid in connection with any Change in Control of the Corporation, over the per share exercise price of each Option held by you (whether or not then fully exercisable), times (B) the number of Corporation Shares covered by each such Option;

(e) In addition to the benefits to which you are entitled under the defined contribution plan or plans of the Corporation, including the Corporation's [Savings and Retirement Plan] or any successor plan thereto (the "Defined Contribution Plans") (without regard to any amendment to the Defined Contribution Plans made subsequent to a Change in Control of the Corporation and on or prior to the Date of Termination, which amendment adversely affects in any manner the computation of benefits under such plans), the Corporation shall pay to you in a lump sum, in cash, at the time specified in Subsection (iv) hereof, an amount equal to three (3) times the value of the matching or other employer contributions that the Corporation would have made to each such plan during the plan year immediately preceding the Date of Termination, the Change in Control, or the first occurrence of an event or circumstance constituting Constructive Termination, whichever date yields the highest value, at your rate of salary in effect on the Date of Termination, immediately prior to the Change in Control of the Corporation or immediately prior to the first occurrence of an event or circumstance constituting Constructive Termination, whichever is greatest, determined as if you had contributed the maximum amount permitted pursuant to applicable law and the terms of such plan during any such year and accumulated thereunder three (3) additional years of service for purposes of eligibility and vesting (after the Date of Termination);

(f) for the thirty-six (36) month period beginning with your termination of employment, the Corporation shall arrange to provide you and your dependents with life, disability, accident and health insurance benefits substantially similar to those that you were receiving immediately prior to the Notice of Termination, or if more favorable to you, the first occurrence of an event or circumstance constituting Constructive Termination. Benefits otherwise receivable by you pursuant to this paragraph (f) shall be reduced to the extent comparable benefits are actually received by you from any and all successor employers during the thirty-six (36) month period following the Date of Termination, and any such benefits actually received by you shall be reported to the Corporation; provided, however, that, unless you consent to a different method (after taking into account the effect of such method on the calculation of "parachute payments" pursuant to Subsection (vi) hereof), such health insurance benefits shall be provided through a

third-party insurer; and provided further, however, that the Corporation shall reimburse you for the excess, if any, of the cost of such benefits to you over such cost immediately prior to the Date of Termination or, if more favorable to you, the cost of such benefits to you as of the first occurrence of an event or circumstance constituting Constructive Termination;

(g) the Corporation shall pay to you all reasonable legal fees and expenses incurred by you as a result of such termination (including all such fees and expenses, if any, incurred in contesting or disputing any such termination or in seeking to obtain or enforce any right or benefit provided by this Agreement) unless the decision-maker in any proceeding, contest or dispute arising hereunder makes a formal finding that you did not have a reasonable basis for instituting such proceeding, contest or dispute;

(h) the Corporation shall provide you with individual outplacement services in accordance with the general custom and practice generally accorded to an executive of your position.

(iv) Except as provided in Subsection (vi) hereof, the payments provided for in Subsections (iii) (b), (c), (d) and (e) above, shall be made not later than the fifth day following the Date of Termination; provided, however, that if the amounts of such payments cannot be finally determined on or before such day, the Corporation shall pay to you on such day an estimate, as determined in good faith by the Corporation, of the minimum amount of such payments and shall pay the remainder of such payments (together with interest at the rate provided in section 1274(b)(2)(B) of the Internal Revenue Code of 1986, as amended (the "Code")) as soon as the amount thereof can be determined but in no event later than the thirtieth day after the Date of Termination. In the event that the amount of the estimated payments exceeds the amount subsequently determined to have been due, such excess shall constitute a loan by the Corporation to you, payable on the fifth day after demand by the Corporation (together with interest at the rate provided in section 1274(b)(2)(B) of the Code).

(v) Except as provided in Subsection (iii)(f) hereof, you shall not be required to mitigate the amount of any payment provided for in this Section 5 by seeking other employment or otherwise, nor shall the amount of any payment or benefit provided for in this Section 5 be reduced by any compensation earned by you as the result of employment by another employer, by retirement benefits, by offset against any amount claimed to be owed to you to the Corporation, or otherwise.

Whether or not you become entitled to the Severance Payments, if any of the payments or benefits received or to be received by you in connection with a Change in Control of the Corporation or your termination of employment (whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement with the Corporation, any person whose actions result in a Change in Control of the Corporation or any person affiliated with the Corporation or such person) (such payments or benefits, excluding the "Gross-Up Payment" (as defined below) being hereinafter referred to as the "Total Payments") will be subject to any excise tax imposed under section 4999 of the Code (the "Excise Tax"), the Corporation shall pay to you an additional amount (the "Gross-Up Payment") such that the net amount retained by you, after deduction of any Excise Tax on the Total Payments and any federal, state and local income and employment taxes and Excise Tax upon the Gross-Up Payment, shall be equal to the Total Payments.

For purposes of determining whether any of the Total Payments will be subject to the Excise Tax and the amount of such Excise Tax, (i) all of the Total Payments shall be treated as "parachute payments" (within the meaning of section 280G(b)(2) of the Code) unless, in the opinion of tax counsel ("Tax Counsel") reasonably acceptable to you and selected by the accounting firm which was, immediately prior to the Change in Control of the Corporation, the Corporation's independent auditor (the "Auditor"), such payments or benefits (in whole or in part) do not constitute parachute payments, including by reason of section 280G(b)(4)(A) of the Code, (ii) all "excess parachute payments" within the meaning of section 280G(b)(1) of the Code shall be treated as subject to the Excise Tax unless, in the opinion of Tax Counsel, such excess parachute payments (in whole or in part) represent reasonable compensation for services actually rendered (within the meaning of section 280G(b)(4)(B) of the Code) in excess of the "base amount" (as defined in section 280G(b)(3) of the Code) allocable to such reasonable compensation, or are otherwise not subject to the Excise Tax, and (iii) the value of any noncash benefits or any deferred payment or benefit shall be determined by the Auditor in accordance with the principles of sections 280G(d)(3) and (4) of the Code. For purposes of determining the amount of the Gross-Up Payment, you shall be deemed to pay federal income tax at the highest marginal rate of federal income taxation in the calendar year in which the Gross-Up Payment is to be made and state and local income taxes at the

highest marginal rate of taxation in the state and locality of your residence on the Date of Termination (or if there is no Date of Termination, then the date on which the Gross-Up Payment is calculated for purposes of this Subsection vi), net of the maximum applicable reduction in federal income taxes which could be obtained from deduction of such state and local taxes.

In the event that the Excise Tax is finally determined to be less than the amount taken into account hereunder in calculating the Gross-Up Payment, you shall repay to the Corporation, within five (5) business days following the time that the amount of such reduction in the Excise Tax is finally determined, the portion of the Gross-Up Payment attributable to such reduction (plus that portion of the Gross-Up Payment attributable to the Excise Tax and federal, state and local income and employment taxes imposed on the Gross-Up Payment being repaid by you, to the extent that such repayment results in a reduction in the Excise Tax and a dollar-for-dollar reduction in your taxable income and wages for purposes of federal, state and local income and employment taxes, plus interest on the amount of such repayment at 120% of the rate provided in section 1274(b)(2)(B) of the Code. In the event that the Excise Tax is determined to exceed the amount taken into account hereunder in calculating the Gross-Up Payment (including by reason of any payment the existence or amount of which cannot be determined at the time of the Gross-Up Payment), the Corporation shall make an additional Gross-Up Payment in respect of such excess (plus any interest, penalties or additions payable by you with respect to such excess) within five (5) business days following the time that the amount of such excess is finally determined. You and the Corporation shall each reasonably cooperate with the other in connection with any administrative or judicial proceedings concerning the existence or amount of liability for Excise Tax with respect to the Total Payments.

(vi) As soon as practicable, following a Takeover Threat, or in any event, within twenty (20) business days thereafter, the Corporation agrees it will establish and fund an irrevocable grantor trust in an amount sufficient to provide for all cash payments of benefits specified in Section 5, assuming that you were entitled to such benefits, plus an additional \$50,000 to cover the legal fees referred to in Section 5(iii)(g).

6. Successors-, Binding Agreement.

(i) The Corporation will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Corporation to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Corporation would be required to perform it if no such succession had taken place. Failure of the Corporation to obtain such assumption and agreement prior to the effectiveness of any such succession shall be a breach of this Agreement and shall entitle you to compensation from the Corporation in the same amount and on the same terms to which you would be entitled hereunder if you terminate your employment on account of Constructive Termination following a Change in Control of the Corporation, except that for the purposes of implementing the foregoing, the date on which any such succession becomes effective shall be deemed the Date of Termination. As used in this Agreement, "Corporation" shall mean the Corporation as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

(ii) This Agreement shall inure to the benefit of and be enforceable by you and your personal or legal representatives, executors, administrators, successors, heirs, distributees, devisee and legatees. If you should die while any amount would still be payable to you hereunder had you continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to your devisee, legatee or other designee or, if there is no such designee, to your estate.

7. Notice. For the purpose of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given when delivered or mailed by the United States certified or registered mail, return receipt requested, postage prepaid, addressed to the respective addresses set forth on the first page of this Agreement, provided that all notice to the Corporation shall be directed to the attention of the Board with a copy to the Secretary of the Corporation, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt.

8. Miscellaneous. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by you and such officer as may be specifically designated by the Board. No waiver by either party hereto at that time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either

party which are not expressly set forth in this Agreement. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of Indiana without regard to its conflicts of law principles. All references to section of the Exchange Act or the Code shall be deemed also to refer to any successor provisions to such sections. Any payments provided for hereunder shall be paid net of any applicable withholding required under federal, state or local law. The obligations of the corporation under Section 5 shall survive the expiration of the term of this Agreement.

9. Validity. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

10. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

11. Arbitration. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration, conducted before a panel of three arbitrators in Muncie, Indiana in accordance with the rules of the American Arbitration Association then in effect. Judgment may be entered on the arbitrator's award in any court having jurisdiction; provided, however, that you shall be entitled to seek specific performance of your right to be paid until the Date of Termination during the pendency of any dispute or controversy arising under or in connection with this Agreement.

12. Entire Agreement. This Agreement sets forth the entire agreement of the parties hereto in respect of the subject matter contained herein and supersedes all prior agreements, promises, covenants, arrangements, communications representations or warranties, whether oral or written, by any officer, employee or representative of any party hereto; and any prior agreement of the parties hereto in respect of the subject matter contained herein is hereby terminated and cancelled.

If this letter sets forth our agreement on the subject matter hereof, kindly sign both copies and return one, in the enclosed envelope, to the Corporation, which will then constitute our agreement on this subject.

Sincerely.

ALLTRISTA CORPORATION

By:

Thomas B. Clark
President and CEO

Agreed to this _____ day of [Date].

[Name]

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LIST OF ALLTRISTA CORPORATION
EMPLOYEES WHO ARE EXPECTED TO EXECUTE
CHANGE OF CONTROL AGREEMENTS

Elected Corporate Officers

Thomas B. Clark	President and Chief Executive Officer
Jerry T. McDowell	Group Vice President, Metal Products
John F. Zappala	Group Vice President, Plastic Products
Kevin D. Bower	Senior Vice President and Chief Financial Officer
Larry D. Miller	Vice President, Communications and Investor Relations
Garnet E. King	Corporate Secretary and Director, Executive Services
Angela K. Knowlton	Vice President and Treasurer
J. David Tolbert	Vice President, Human Resources and Administration

Appointed Officers

Kyle L. DeJaeger	President - Industrial Plastics Company
Albert H. Giles	President - Zinc Products Company
Charles W. Orth	President - Unimark Plastics Company
John A. Metz	President - Consumer Products Company
Timothy D. Sigley	President - Plastic Packaging Company

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Committed to Growth
ALLTRISTA CORPORATION

1998 ANNUAL REPORT

COMPANY PROFILE

Alltrista Corporation manufactures metal and plastic products. The company has 10 manufacturing facilities located in the eastern third of the United States, plus Canada. Alltrista stock is traded on the New York Stock Exchange under the symbol ALC.

FINANCIAL HIGHLIGHTS

(thousands of dollars and shares, except per share amounts)

	1998	1997	Percentage Increase (Decrease)
	-----	-----	-----
For the year			
Net sales	\$ 244,046	\$ 239,646	1.8
Net income	15,727	14,837	6.0
Diluted earnings per share			
Income from continuing operations	2.45	2.28	7.5
Discontinued operation	(.26)	(.32)	(18.8)
Net income	\$ 2.19	\$ 1.96	11.7
Diluted weighted average common shares outstanding	7,195	7,558	(4.8)
Free cash flow	15,479	27,933	(44.6)
Interest expense, net	1,822	2,256	(19.2)
Depreciation and amortization	10,548	10,385	1.6
Property, plant and equipment additions	11,909	7,897	(50.8)
Acquisition of businesses	1,000	8,379	-
Purchase of treasury stock	19,321	4,230	-
After-tax return on year-end invested capital*	18.67%	17.87%	-
After-tax return on year-end common equity	16.57%	15.25%	-
At year-end			
Working capital, excluding cash and debt	\$ 29,755	\$ 31,404	(5.3)
Total assets	165,831	166,577	(.4)
Common shareholders' equity	94,893	97,309	(2.5)
Market price per common share	24.00	28.375	(15.4)
Common shareholders of record	4,092	4,323	(5.3)
Number of employees	1,080	1,097	(1.5)

[BAR GRAPH]
Net Sales
(millions of dollars)

1993 175.4
1994 187.5
1995 201.7
1996 208.5
1997 239.6
1998 244.0

[BAR GRAPH]
Net Income
(millions of dollars)

1993 12.7
1994 16.1
1995 11.5
1996 14.5
1997 14.8
1998 15.7

[BAR GRAPH]
Diluted Earnings Per Share
(dollars)

1993 1.69
1994 2.07
1995 1.44
1996 1.84
1997 1.96
1998 2.19

*reflecting continuing operations before unusual items

We're pleased with our performance in 1998. We hope you are, too. Diluted earnings per share of \$2.19 was a record. More importantly for investors, we anticipate continued growth in both sales and earnings for 1999. On March 12 of this year we signed a definitive agreement to acquire the assets of Triangle Plastics, Inc. With sales of \$114 million in 1998, Triangle represents an excellent strategic fit with our existing industrial and proprietary thermoforming business, as well as a significant growth opportunity in the material handling market, where plastics are displacing traditional materials at a rapid rate.

The Triangle organization and manufacturing operations will add to the strength of our plastic products group. We believe the acquisition will lead to numerous additional growth opportunities for Alltrista.

During 1998 the unprofitable inspection equipment business was divested and arrangements made to close a plastics plant in Puerto Rico in early 1999 that had little growth potential. In addition, operations were restructured into two groups, metal products and plastic products, and in anticipation of growth, group vice presidents were placed in charge of each.

As you know, we manage the company and measure value creation using Economic Value Added, or EVA(R). EVA is net operating profits after tax, less a charge for the use of capital employed in the business. All our investment decisions, as well as a large portion of our compensation, are based on this principle. EVA rose nearly 18 percent during 1998 to \$8 million.

While EVA is the best way to measure financial performance, earnings remain the most frequently referenced measure. Our growth goals, as outlined to you a year ago, are focused on this measurement--to achieve at least \$500 million in sales and \$50 million in operating earnings by the end of the year 2002. In 1998, we laid the ground work for progress toward these goals, and the Triangle acquisition is a significant first step.

Most important for all of us as shareholders is that we expect a continuation of growth in earnings in 1999 from current businesses, and we will continue our search for additional strategic acquisition opportunities.

For the year, sales were up two percent to \$244 million. Net income was \$15.7 million or \$2.19 a diluted share, including a loss on discontinued operations of 26 cents a share and charges to exit the Puerto Rico plastic

[GRAPHIC OMITTED] Thomas B. Clark, President and Chief Executive Officer
[GRAPHIC OMITTED] William L. Peterson, Chairman of the Board

plant of 11 cents a share. Net income was up 6 percent, while the per share gain was 12 percent versus a year ago. We ended the year on a strong note when fourth quarter net income advanced 20 percent and diluted earnings per share rose 32 percent over the same period in 1997.

Segment reporting has been realigned to reflect how we manage operations. The metal products segment includes home canning and other consumer products, as well as zinc products, and the plastic products segment incorporates all activities in injection molding, extrusion and thermoforming for numerous markets.

It was an excellent year for the company's oldest product line, home canning and other consumer items. Demand was softened in the southern United States due to poor growing conditions, but this was more than compensated for by strong demand in the northern U.S. and Canadian markets.

New products were successfully introduced, including the Collection Elite(TM) home canning jars and closures in Canada, and the Heritage Canister products in the U.S. Sales of these new products exceeded expectations. Collection Elite, which features colorful, high-quality decoration on the metal closures, is being introduced in the U.S. during 1999. Also new for Alltrista this year is the Golden Harvest(R) housewares line, including tumblers, beverage tappers and other glassware. This product line will add considerably to 1999 sales and will serve as an entree into the housewares category. Finally, in 1999 we are testing the Eastern European market for home canning products. Initially a full-scale test market will be implemented in Hungary. If successful, sales will be expanded to other countries in the region over the next several years.

Alltrista's second oldest business, zinc strip and fabricated zinc products, continues to perform more with the enthusiasm of a Generation X youngster than the octogenarian it is.

Despite losing considerable battery can business to lower-cost Mexican production and imports from the Pacific Rim, the zinc operation contributed to improved earnings in 1998 and expects continued gains in the new year. The production and shipment of coin blanks to both the United States and Royal Canadian Mints grew during 1998, as did our share of market in the U.S. We are now developing international coinage opportunities. A successful example of this effort is a contract with the Birmingham Mint in England to supply one and five-cent Eurocoin blanks.

The cathodic protection product line grew in 1998. Current year projections call for continued growth. The product is undergoing trials at several locations, including LaGuardia Airport in New York. New, higher-value-added applications for zinc strip are being developed as a result of adding strip plating capacity; here, the electronics market is a key target.

Moving to the plastic products segment, the company's

thermoforming product line had an excellent 1998, producing a record number of inner door liners for its refrigerator/freezer customer, Whirlpool Corporation. Sales of proprietary light-weight plastic tables grew during the year, and we envision additional marketing initiatives for that product line during coming months. Integration of a 1997 acquisition in the thermoforming area has been slower than expected; however, plans have been put in place to improve efficiencies, reduce expenses and realize the full potential of this business.

The plastic packaging market remains quite competitive and we anticipate 1999 will be challenging; however, this product line has been and should remain profitable.

Significant growth was achieved in the sales of injection molded plastic products last year. Key markets include healthcare, consumer products and ammunition. The Springfield, Missouri facility, which serves shotgun shell manufacturers, is operating at capacity. We expect even better performance in injection molding as we bring on a number of new customer programs. Results in 1999 will also benefit from the closing of the underperforming Puerto Rico facility.

During the year, Alltrista Corporation repurchased 767,000 shares of its stock for \$19.3 million. The 1998 program was the second major repurchase program completed. Since becoming a public company, 1.6 million shares have been repurchased at a cost of \$36.5 million. We will continue to repurchase shares from time to time.

Our tax rate averaged 38% during 1998, down marginally. In addition, interest expense for the year was down 19 percent, reflecting our strong cash flow.

As mentioned earlier, EVA for the year showed an excellent gain; unfortunately, this was not reflected in the corporation's stock price, which at year-end was \$24 a share, down 15 percent from the close in 1997. We believe the stock is significantly undervalued given actual results and the outlook for the company.

In closing, we express appreciation to our shareholders, employees, customers, suppliers and the communities in which we operate. Alltrista is a strong, growing organization with enthusiastic employees. We look forward to achieving the growth to which all of us are committed.

/s/ Thomas B. Clark
President and Chief Executive Officer

/s/ William L. Peterson
Chairman of the Board

February 24, 1999

[GRAPHICS OMITTED]

Alltrista's vision is a growing, diversified company with businesses that command a leading market position or possess other differentiating characteristics that consistently create value for shareholders, employees and customers. All resource allocation decisions are focused on this vision.

[GRAPHIC OMITTED]

Ball(R) and Kerr(R) brands are market leaders in the United States home canning market.

Bernardin(R) in Canada is the leading home canning brand in that market.

Alltrista is the leading supplier of one-cent blanks to both the United States Mint and the Royal Canadian Mint.

Alltrista is the sole supplier of innerdoor liners for Whirlpool side-by-side refrigerator/freezers.

Alltrista is the leading supplier of shotgun shell components for the ammunition market in the United States.

Alltrista's Fruit-Fresh(R) fruit protector, which stops browning and protects flavor, is the leader in its market.

Alltrista is a significant supplier of proprietary bath products to the manufactured housing industry under the Capri(TM) brand.

[GRAPHICS OMITTED]

Alltrista Corporation's financial strength is evidenced by low debt and excellent cash flow. Our financial strength will fuel significant growth, coming from product and market development in existing operations, as well as acquisitions which have potential for value creation.

[BAR GRAPH]
After-Tax Return on Average Invested Capital*
1994 14.92%
1995 14.23%
1996 14.99%
1997 17.35%
1998 18.68%

*reflecting continuing operations before unusual items

[GRAPHICS OMITTED]

[BAR GRAPH]
Economic Value Added*
(in millions)

1994	\$4,096
1995	\$3,666
1996	\$4,515
1997	\$6,823
1998	\$8,023

Debt has been reduced from a high of \$75 million in 1993 to \$25.7 million at the end of 1998. The company is essentially debt-free, with cash approximating long-term debt.

Shareholders' equity has grown from \$45.1 million in 1993 to \$94.9 million at 1998's year-end, even after over \$36 million in share repurchases.

Economic Value Added, our primary performance measure, has risen from \$4.1 million in 1993 to \$8 million in 1998, an average compound growth rate of 18% per year. This reflects continuing operations before unusual items.

Alltrista's after-tax return on invested capital has increased from 14.9% in 1993 to 18.7% in 1998.

Our products also provide strength: cathodic protection systems lengthen the life of bridge columns at a fraction of the replacement cost.

[GRAPHICS OMITTED]

Alltrista is committed to growth--in sales and earnings. Growth is what our vision and strategy are all about. Our goal is \$500 million in sales and \$50 million in operating earnings by the end of the year 2002. This growth has and will continue to come from both internal expansion as well as acquisition.

[GRAPHICS OMITTED]

Each Alltrista business has been charged with establishing and achieving growth programs. New products figure in these goals, as evidenced by the Collection Elite(TM) line of home canning products introduced in Canada last year and in the United States in 1999.

Alltrista has taken a giant step (5,000 miles, to be exact) in test marketing home canning products in the Eastern European market. Jars and closures are being test marketed during 1999 in Hungary, and if successful the territory will be expanded to other countries in that region.

Zinc strip is a growing product line for Alltrista, as precision slitting, plating and roll-bonding enhance value added and allow penetration of new markets.

A 1997 acquisition provided the company with an entry to the manufactured housing and recreational vehicle markets, both of which utilize our expertise in plastics extrusion and thermoforming. One-piece camper tops are lighter, stronger and more resistant to leakage than the materials we replace, all with enhanced noise and thermal insulation.

The company's plastic packaging business, while a challenging one in 1998 and 1999, anticipates growth in the food processing industry, and is investigating other markets, as well.

Management's Discussion and Analysis of Financial Condition
and Results of Operations

During the first quarter of 1998, the Company, as part of its vision and strategy, redefined its businesses into two new distinct segments: plastic products and metal products. The plastic products segment includes operations in packaging (coextruded sheet and formed containers for processed human and pet food), injection molding, including products for the medical, consumer and packaging markets, and heavy gauge sheet extrusion and thermoformed parts for appliance, furniture, manufactured housing and recreational vehicle markets. The metal products segment includes home canning supplies and related consumer products and zinc strip and products fabricated from that strip. Previously reported segment information was reclassified to correspond with the current presentation. Due to the sale of the LumenX vision and x-ray inspection systems product lines during 1998 and 1997, this business is classified as a discontinued operation for all periods presented.

Results of Operations -- Comparing 1998 to 1997

The Company reported net sales of \$244.0 million in 1998, an increase of 1.8% from sales of \$239.6 million in 1997. Excluding a one-time charge of \$1.3 million to exit the Company's plastics plant in Arecibo, Puerto Rico, 1998 operating earnings of \$31.5 million increased 4.5% from \$30.1 million in 1997. The increase in sales was primarily due to new consumer product offerings that the Company began marketing during the year, a full year of sales resulting from the May 1997 acquisition of Viking Plastics and new health care applications in plastics. The impact of these increases was offset to a lesser extent by reduced plastic packaging and zinc battery can sales. Although profits were not impacted, reported sales were also \$3.8 million lower as a result of lower 1998 zinc ingot prices.

Overall, gross margin percentages increased from 27.5% in 1997 to 28.6% in 1998. The increase was primarily due to increases in injection molding plant capacity utilization and coinage volume as well as the impact of lower reported sales from the decrease in zinc raw material prices and an increase in coinage volume. This increase was offset in part by the industrywide margin erosion in plastic packaging and a less favorable consumer product mix.

Selling, general and administrative expenses increased 6.6% or \$2.3 million to \$38.2 million in 1998 from \$35.9 million in 1997. The increase was primarily due to increased warehousing cost for new home canning and other consumer products, new zinc product and business development costs and a full year of expenses due to the Viking Plastics acquisition. These items were offset in part by a reduction in consumer product selling and marketing costs.

In July 1998, as part of the Company's commitment to exit operations that do not produce positive Economic Value Added within an acceptable period of time, the Company initiated a plan to close its plastics plant in Arecibo, Puerto Rico. Operations ceased in this plant in January 1999. As a result, the Company recorded a one-time charge of \$1.3 million, which includes a \$0.7 million non-cash loss on the sale and disposal of equipment and \$0.6 million in other costs, including employee severance and costs to return the leased facility to its original condition.

Interest expense, net in 1998 was \$1.8 million compared to \$2.3 million in 1997. Other than seasonal working capital borrowings in Canada, the Company did not borrow during 1998. Interest costs were also offset by \$1.1 million and \$0.5 million of interest earned on short-term investments in 1998 and 1997, respectively.

Income from continuing operations of \$17.6 million in 1998 increased 2.1% from \$17.2 million in 1997 and diluted earnings per share from continuing operations was \$2.45, an increase of 7.5% over the \$2.28 reported for 1997. Excluding the after-tax charge to exit the Arecibo, Puerto Rico facility, diluted earnings per share from continuing operations was \$2.56, an increase of 12.3% over the 1997 reported amount. During 1998, the Company purchased 767,000 shares of its common stock in the open market which resulted in a \$.11 favorable impact on diluted earnings per share.

Metal Products Segment

In the metal products segment, 1998 sales and earnings increased 1.1% and 9.2%, respectively, compared to 1997. Sales of consumer products increased 12.7% in 1998 compared to 1997. The increase in sales was primarily due to marketing and distributing the Golden Harvest(TM) line of home canning products, good home garden growing conditions, especially in the northern two thirds of the United States and Canada, and the increased usage of palletized home canning product displays in mass merchandiser stores. Although the volume of zinc products sold increased in 1998, reported sales decreased 14.3% compared to 1997. Penny blank shipments increased 33% in 1998 compared to 1997 reflecting strong demand from both the U.S. Mint and the Royal Canadian Mint. Offsetting the coinage volume increase was a decline in battery cans sold. The decision of two customers to move production of their zinc/carbon batteries to foreign countries significantly reduced the number of battery cans purchased from the Company. Though sales to the U.S. Mint excludes the cost of zinc ingot, a 21% decrease in the average price of zinc in 1998 reduced reported sales of other zinc products by \$3.8 million.

Management's Discussion and Analysis of Financial Condition
and Results of Operations

The increase in coinage demand and consumer product sales were significant factors in increasing operating earnings. Items offsetting profits from these advances were higher warehousing costs for new consumer products and new zinc product and business development costs.

The additions of a new consumer housewares product line, including tumblers, beverage tappers and other glassware, are expected to have a favorable impact on sales and earnings in 1999. Collection Elite(TM) (colorful, high-quality decorative metal closures) will be introduced in the U.S. market following a successful 1998 introduction in the Canadian market. In 1999, the Company will test market home canning products in Hungary. If the Hungarian test market is successful, the Company would anticipate expanding into other Eastern European countries. Zinc product sales should also increase primarily due to an increase in coinage volume. The Company has been engaged to supply one and five cent Eurocoin blanks to the Birmingham Mint in England. Battery can sales will likely continue to decline as customers move battery production to foreign manufacturers.

Plastic Products Segment

Sales increased 3.0% in the plastic products segment and earnings, before the charge to exit the facility in Arecibo, Puerto Rico, decreased 10.5%. Sales of thermoformed plastic parts and products increased 41.3% primarily due to the May 1997 acquisition of Viking Plastics and increased sales of appliance components. Sales of injection molded products increased 18.6% as a result of new business, including the transfer of a customer's in-house production to the Company's Springfield, Missouri facility. These achievements were offset in part by a decrease in sales of plastic packaging to the human and pet food markets where the Company has encountered intense competition and lower customer demand. The decline in gross margins for plastic packaging more than offset the gains accomplished within the balance of the segment.

The Company anticipates an increase in both sales and operating earnings for the plastic products segment in 1999. Sales growth is anticipated for thermoformed bath and recreational vehicle products and plastic furniture. Injection molded product line sales should increase with the addition of new customers and increased sales with existing customers. Along with the anticipated increases in sales, earnings should benefit from the closing of the Arecibo, Puerto Rico facility and a plan to improve efficiencies in the plants which produce large thermoformed plastic parts for the manufactured housing and recreational vehicle industries. It is anticipated the market for plastic packaging will remain quite competitive.

Results of Operations -- Comparing 1997 to 1996

The Company reported net sales of \$239.6 million for 1997, which represents a 14.9% increase over 1996 sales of \$208.5 million. Operating earnings of \$30.1 million for 1997 were 8.3% higher than 1996 operating earnings of \$27.8 million. Sales increases were reported in both the metal and plastic products segments, while operating earnings were up in the metal products segment and lower in the plastic products segment. The March 1996 acquisition of the Kerr(R) brand of home canning products and a good growing season for home gardening and fresh produce were the primary drivers of the sales and earnings increase in the metal products segment. Reduced coinage shipments to the U.S. Mint tempered the results in this segment. The May 1997 acquisition of Viking Plastics was the primary driver of the plastic products sales increase. Reduced customer requirements for injection molded products drove the reduction in operating earnings while cost reductions in the plastic packaging operations helped offset this decline.

Overall, gross margin percentages declined in 1997. Margins within the metal products segment declined due to a 45% reduction in coinage sales volume to the U.S. Mint. This decline was offset in part by a full year of Kerr home canning product sales and economies resulting from consolidating the related operations. The plastic products segment had lower margins due to lower injection molding capacity utilization and lower than normal margins during the integration of Viking Plastics.

Selling, general and administrative expenses increased 11.3% or \$3.6 million to \$35.9 million in 1997 from \$32.3 million in 1996. The increase was almost entirely a function of the increased home canning products business level and the Viking Plastics acquisition. Selling, general and administrative expenses as a percentage of net sales were 15.0% for 1997 compared to 15.5% for 1996. The improvement is largely due to efficiencies resulting from consolidating the operations of the Ball and Kerr brands.

Net interest expense for 1997 was \$2.3 million compared to \$2.6 million for the same period last year. Lower 1997 daily average borrowings and higher interest income from short-term cash investments were offset in part by slightly higher interest rates on borrowings.

Income from continuing operations of \$17.2 million increased 11.9% from \$15.4 million and diluted earnings per share from continuing operations was \$2.28, an increase of 16.9% over the \$1.95 reported for 1996.

Management's Discussion and Analysis of Financial Condition
and Results of Operations

Metal Products Segment

Sales and operating earnings within the metal products segment increased \$25.3 million and \$3.4 million, respectively, in 1997 compared to 1996. These increases were primarily the result of the March 1996 acquisition of the Kerr(R) brand of home canning products and a good growing season for home gardening and fresh produce in the United States as well as in Canada. During 1996, the Company, under the terms of a non-exclusive Sales Agent Agreement, sold certain pre-closing inventory retained by Kerr(R). These sales and any resulting profits are not reflected in the Company's 1996 results of operations. Since the Company fulfilled the agreement at the end of 1996, 1997 sales and profits from all Kerr(R) products are reflected in the Company's results.

Zinc product sales increased \$2.8 million despite a 45% decrease in U.S. Mint coinage shipments. The decline in coinage volume was offset by a 27% increase in average zinc ingot prices, an increase in European industrial sales volume and an increase in sales to the Royal Canadian Mint for the Canadian one cent coin. The aforementioned decline in sales volume to the U.S. Mint had an adverse effect on the segment's operating earnings.

Plastic Products Segment

Sales within the plastic products segment increased 6.3% in 1997 compared to 1996 whereas operating earnings decreased 6.7%. The Company reported a \$10.4 million increase in thermoformed plastic product sales as a result of the May 1997 acquisition of Viking Plastics (\$9.7 million in sales). Plastic packaging sales decreased 4.3% due to lower customer requirements and a more intense competitive environment. Injection molded product sales declined 8.1% as a result of reduced customer requirements, including several customers with in-house molding facilities moving production back into their own locations during periods of reduced demand.

Operating earnings within the plastic products segment decreased by 6.7% primarily due to the aforementioned decline in demand for injection molded products. In addition, Viking Plastics integration costs were higher than normal. A reduction in selling, general and administrative salaries and benefit costs within the plastic packaging operations helped limit the decline in operating earnings.

Financial Condition, Liquidity and Capital Resources

Working capital (excluding the current portion of long-term debt) decreased \$6.8 million to \$51.2 million from the 1997 year-end level of \$58.0 million. During 1998, the Company purchased \$19.3 million (767,000 shares) of its common stock. In September of 1998, the Company completed the purchase of shares under a 600,000-share repurchase program announced in May 1997. It is also the Company's policy to annually repurchase shares to offset the dilutive effect of shares issued under employee benefit plans. Other significant changes in working capital include increases in inventory and accounts payable due to the introduction of new consumer product lines. The Company has \$25.7 million outstanding under a long-term financing agreement with a fixed interest rate of 7.8%. Maturities, which began in December 1998, are \$4.3 million per year for seven years. The Company has a revolving credit agreement with a group of banks whereby the Company can borrow up to \$50 million through March 31, 2000 when all borrowings mature. There were no borrowings outstanding under this agreement at December 31, 1998 or 1997. After reducing debt by the cash balance, the Company was essentially debt free at the end of both 1998 and 1997. Consequently, changes in interest rates would not have a material impact on the financial condition or liquidity of the Company.

Capital expenditures were \$11.9 million in 1998 compared to \$7.9 million in 1997 and are largely related to maintaining facilities and improving manufacturing efficiencies. The increase in 1998 is primarily due to investments in new injection molding machines and a new integrated information system and other capital improvements within the plastics group. Within the metal products segment, expenditures were incurred for upgrading an existing plating line, investing in a new high precision industrial slitting line, and construction of a railcar unloading station for chlorine supply. Overall, capital expenditures are expected to be at higher levels in 1999 compared to 1998. The Company believes that existing funds, cash generated from operations and existing sources of debt financing are adequate to satisfy its working capital and capital expenditure requirements for the foreseeable future. However, the Company may raise additional capital from time to time to take advantage of favorable conditions in the capital markets or in connection with the Company's corporate development activities.

Effective September 28, 1998, the Company sold the assets of its x-ray inspection equipment operation and ended the Company's participation in the capital goods market. Taking into account the cash proceeds from the sale, tax benefits and expenses paid, the Company expects the transaction to provide approximately \$3.4 million in cash.

In July 1998, management initiated a plan to exit the Company's plastics plant in Arecibo, Puerto Rico.

Management's Discussion and Analysis of Financial Condition
and Results of Operations

Operations in this facility ceased in January 1999. Taking into account the cash proceeds from the sale of certain equipment, tax benefits and costs paid, the Company expects the transaction to provide approximately \$1.3 million in cash.

The Company is subject to and involved in claims arising out of the conduct of its business including those relating to product liability, environmental and safety and health matters. The Company's information at this time does not indicate that the resolution of these claims will have a material adverse effect upon financial condition, results of operations, capital expenditures or competitive position of the Company.

Recent Development

On March 12, 1999, the Company entered into a definitive agreement to acquire the net assets of Triangle Plastics, Inc. and its subsidiaries ("Triangle Plastics") for \$148.0 million in cash plus acquisition costs. The transaction, which is expected to close at the end of March or early April, will be accounted for as a purchase. The Company will finance the transaction with a new \$250 million credit facility which will replace the Company's other existing credit facilities. Triangle Plastics manufactures heavy gauge industrial thermoformed parts for original equipment manufacturers in a variety of industries, including the heavy trucking, agricultural, portable toilet, recreational and construction markets. Triangle Plastics, through its TriEnda division, produces plastic thermoformed products for material handling applications. Triangle Plastics employs approximately 1,100 people and has a technical center and five production facilities located in Florida, Iowa, Tennessee and Wisconsin. Triangle Plastics had net sales of \$114.1 million in 1998.

Year 2000 Readiness

The Company continues to assess its exposure to potential Year 2000 issues within its businesses. The assessment includes information technology (IT), non-information technology (non-IT), and customer and vendor readiness. Non-IT systems include computer-controlled devices with embedded technology such as microcontrollers. Phases within the process include assessment, remediation, testing and implementation. With respect to each of the divisions, the Company's percentage of completion for the assessment phase for both IT and non-IT ranges from 65% to 100% and 80% to 100% complete, respectively. The Company anticipates all divisions will have the assessment phase complete by May 1999. Through the assessment process, the Company has identified certain financial and manufacturing systems that are not Year 2000 ready. The Company has plans to replace or upgrade these systems with remediation, testing and implementation to be completed no later than October 1999. The largest undertaking is an enterprise-wide system implementation in the Company's consumer products operation. Certain contingency plans are in place and others will be developed if remediation, testing or implementation is delayed or otherwise required following the identification of any material Year 2000 risks or uncertainties. If this implementation is delayed contingency plans include the modification of existing code. The failure of the Company to properly assess and remediate Year 2000 problems and test or implement solutions could result in disruptions of normal business operations. Such failures could have a material adverse effect upon the financial condition, results of operations, cash flows or competitive position of the Company.

The Company has incurred less than \$300,000 in costs to date directly associated with the remediation of its own systems. Management believes future Year 2000 assessment and remediation costs will be less than \$500,000. The Company intends to fund any necessary Year 2000 assessment and remediation costs from internal financial resources. These costs do not include the cost of upgrading or replacing systems for other business reasons. Such measures usually provide the additional benefit of making the systems Year 2000 compliant.

The assessment of customers and suppliers for Year 2000 readiness ranges from initial stages to 100% complete across the Company's businesses as of January 1999. The assessment of third parties is scheduled to be complete no later than April 1999. The assessments include third party electronic interfaces. The Company currently is not aware of any significant customer or supplier with a Year 2000 issue that would materially impact the Company's financial condition, results of operations, cash flows or competitive position. However, the Company has no means of ensuring that customers or suppliers will be Year 2000 ready. The inability of other entities to be prepared could have a material adverse effect on the Company.

While the Company has not fully completed its assessment process, it is not expected that Year 2000 issues will have a material adverse effect on the Company. However, it is possible that, for example, disruptions in the economy generally or interruptions in the Company's manufacturing processes because of Year 2000 problems could adversely affect the Company's results of operations, liquidity and financial condition.

Consolidated Statements of Income
Alltrista Corporation and Subsidiaries

(thousands, except per share amounts)	Year ended December 31,		
	1998	1997	1996
	-----	-----	-----
Net sales	\$ 244,046	\$ 239,646	\$ 208,498
Costs and expenses			
Cost of sales	174,333	173,651	148,437
Selling, general and administrative expenses	38,249	35,895	32,258
Costs to exit facility	1,260	-	-
	-----	-----	-----
Operating earnings	30,204	30,100	27,803
Interest expense, net	(1,822)	(2,256)	(2,571)
	-----	-----	-----
Income from continuing operations before taxes	28,382	27,844	25,232
Provision for income taxes	(10,785)	(10,603)	(9,828)
	-----	-----	-----
Income from continuing operations	17,597	17,241	15,404
Discontinued operations:			
Loss from discontinued operations, net of income tax benefit (expense) of \$557, \$2,423 and (\$151), respectively	(908)	(2,404)	(183)
Net loss on disposal of discontinued operations, net of income tax benefit of \$589 and \$468, respectively	(962)	-	(711)
	-----	-----	-----
Net income	\$ 15,727	\$ 14,837	\$ 14,510
	=====	=====	=====
Basic earnings per share:			
Income from continuing operations	\$ 2.48	\$ 2.33	\$ 1.99
Discontinued operations	(.26)	(.33)	(.11)
	-----	-----	-----
Net income	\$ 2.22	\$ 2.00	\$ 1.88
	=====	=====	=====
Diluted earnings per share:			
Income from continuing operations	\$ 2.45	\$ 2.28	\$ 1.95
Discontinued operations	(.26)	(.32)	(.11)
	-----	-----	-----
Net income	\$ 2.19	\$ 1.96	\$ 1.84
	=====	=====	=====
Weighted average shares outstanding:			
Basic	7,079	7,413	7,737
Diluted	7,195	7,558	7,906

The accompanying notes are an integral part of the
consolidated financial statements.

Consolidated Balance Sheets
Alltrista Corporation and Subsidiaries
(thousands of dollars)

	December 31, 1998	1997
	-----	-----
Assets		
Current assets		
Cash and cash equivalents	\$ 21,454	\$ 26,641
Accounts receivable, net of reserve for doubtful accounts of \$1,081 and \$1,023	20,907	23,646
Inventories	38,281	33,183
Prepaid expenses	1,414	1,511
Deferred taxes on income	4,512	4,243
	-----	-----
Total current assets	86,568	89,224
	-----	-----
Property, plant and equipment, at cost		
Land	782	782
Buildings	30,075	30,500
Machinery and equipment	121,849	118,622
	-----	-----
Accumulated depreciation	152,706	149,904
	(105,850)	(104,894)
	-----	-----
	46,856	45,010
	-----	-----
Goodwill, net of accumulated amortization of \$3,746 and \$2,347	24,548	24,947
Deferred taxes on income	-	200
Other assets	7,859	7,196
	-----	-----
Total assets	\$ 165,831	\$ 166,577
	=====	=====
Liabilities and shareholders' equity		
Current liabilities		
Current portion of long-term debt	\$ 4,286	\$ 4,286
Accounts payable	20,579	18,424
Accrued salaries, wages and employee benefits	8,428	7,139
Other current liabilities	6,352	5,616
	-----	-----
Total current liabilities	39,645	35,465
	-----	-----
Noncurrent liabilities		
Long-term debt	21,429	25,714
Deferred taxes on income	282	-
Other noncurrent liabilities	9,582	8,089
	-----	-----
Total noncurrent liabilities	31,293	33,803
	-----	-----
Contingencies		
Shareholders' equity		
Common stock, 25,000,000 shares authorized, 7,966,971 and 7,976,747 shares issued and 6,764,254 and 7,461,765 shares outstanding in 1998 and 1997, respectively	40,494	40,779
Retained earnings	84,039	68,312
Accumulated other comprehensive income--cumulative translation adjustment	(619)	(303)
	-----	-----
Less: treasury stock (1,202,717 and 514,982 shares, at cost)	123,914	108,788
	(29,021)	(11,479)
	-----	-----
Total shareholders' equity	94,893	97,309
	-----	-----
Total liabilities and shareholders' equity	\$ 165,831	\$ 166,577
	=====	=====

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statements of Cash Flows
Alltrista Corporation and Subsidiaries

(thousands of dollars)	Year ended December 31,		
	1998	1997	1996
	-----	-----	-----
Cash flows from operating activities			
Net income	\$ 15,727	\$ 14,837	\$ 14,510
Reconciliation of net income to net cash provided by operating activities:			
Depreciation	8,884	8,880	9,444
Amortization	1,664	1,505	1,125
Deferred taxes on income	214	(1,391)	(1,134)
Loss on sale of assets	71	267	550
Loss on disposal of discontinued operations	2,451	3,612	1,179
Deferred employee benefits	1,024	1,071	1,008
Other	(874)	(105)	63
Cost to exit plant	1,260	-	-
Changes in working capital components excluding acquisitions and divestitures:			
Accounts receivable	(1,818)	5,567	7,803
Inventories	(6,970)	6,724	12,041
Accounts payable	2,559	(683)	(6,195)
Accrued salaries, wages and employee benefits	1,506	(734)	(3,241)
Other current assets and liabilities	1,690	(3,720)	(2,334)
	-----	-----	-----
Net cash provided by operating activities	27,388	35,830	34,819
	-----	-----	-----
Cash flows from financing activities			
Proceeds from revolving credit borrowings and notes payable	4,431	15,967	20,695
Principal payments on revolving credit borrowings and notes payable	(8,717)	(15,967)	(24,195)
Proceeds from issuance of common stock	1,283	2,653	3,091
Purchase of treasury stock	(19,321)	(4,230)	(13,980)
	-----	-----	-----
Net cash used in financing activities	(22,324)	(1,577)	(14,389)
	-----	-----	-----
Cash flows from investing activities			
Proceeds from sales of property, plant and equipment	33	229	950
Additions to property, plant and equipment	(11,909)	(7,897)	(10,699)
Acquisitions of businesses, net of cash acquired	(1,000)	(8,379)	(14,633)
Proceeds from divestitures of businesses and product lines	3,463	1,000	14,384
Investment in life insurance contracts	(685)	-	(4,308)
Other, net	(153)	(176)	(846)
	-----	-----	-----
Net cash used in investing activities	(10,251)	(15,223)	(15,152)
	-----	-----	-----
Net (decrease) increase in cash	(5,187)	19,030	5,278
Cash and cash equivalents, beginning of year	26,641	7,611	2,333
	-----	-----	-----
Cash and cash equivalents, end of year	\$ 21,454	\$ 26,641	\$ 7,611
	=====	=====	=====

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statements of Changes in Shareholders' Equity
Alltrista Corporation and Subsidiaries

(thousands of dollars and shares)	Common Stock		Treasury Stock		Retained Earnings	Accumulated Other Comprehensive Income	
	Shares	Amount	Shares	Amount		Minimum Pension Liability	Cumulative Translation Adjustment
Balance, December 31, 1995	7,884	\$40,679	-	\$ -	\$38,965	\$(367)	\$(26)
Net income	-	-	-	-	14,510	-	-
Minimum pension liability	-	-	-	-	-	114	-
Stock options exercised and stock plan purchases	212	3,584	-	-	-	-	-
Shares reissued from treasury	(127)	(2,806)	127	2,806	-	-	-
Cumulative translation adjustment ...	-	-	-	-	-	-	(12)
Purchase of common stock	-	-	(631)	(13,980)	-	-	-
Balance, December 31, 1996	7,969	41,457	(504)	(11,174)	53,475	(253)	(38)
Net income	-	-	-	-	14,837	-	-
Minimum pension liability	-	-	-	-	-	253	-
Stock options exercised and stock plan purchases	183	3,247	-	-	-	-	-
Shares reissued from treasury	(175)	(3,925)	175	3,925	-	-	-
Cumulative translation adjustment ...	-	-	-	-	-	-	(265)
Purchase of common stock	-	-	(186)	(4,230)	-	-	-
Balance, December 31, 1997	7,977	40,779	(515)	(11,479)	68,312	-	(303)
Net income	-	-	-	-	15,727	-	-
Stock options exercised and stock plan purchases	69	1,494	-	-	-	-	-
Shares reissued from treasury	(79)	(1,779)	79	1,779	-	-	-
Cumulative translation adjustment ...	-	-	-	-	-	-	(316)
Purchase of common stock	-	-	(767)	(19,321)	-	-	-
Balance, December 31, 1998	7,967	\$40,494	(1,203)	\$(29,021)	\$84,039	\$ -	\$(619)

Consolidated Statements of Comprehensive Income
Alltrista Corporation and Subsidiaries

(thousands of dollars)	Year ended December 31,		
	1998	1997	1996
Net income	\$15,727	\$14,837	\$14,510
Foreign currency translation	(316)	(265)	(12)
Minimum pension liability	-	253	114
Comprehensive income	\$15,411	\$14,825	\$14,612

The accompanying notes are an integral part of the consolidated financial statements.

Notes to Consolidated Financial Statements
Alltrista Corporation and Subsidiaries

SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

These consolidated financial statements have been prepared in accordance with generally accepted accounting principles. The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All significant intercompany transactions and balances have been eliminated upon consolidation. Certain prior year amounts have been reclassified to conform to the current year presentation including the 1998 presentation of discontinued operations.

The businesses comprising the Company have interests in metal and plastics products. See Business Segment Information note.

USE OF ESTIMATES

Preparation of the consolidated financial statements requires estimates and assumptions that affect amounts reported and disclosed in the financial statements and related notes. Actual results could differ from those estimates.

REVENUE RECOGNITION

Sales are recognized upon shipment of products to customers.

CASH AND CASH EQUIVALENTS

Cash equivalents include financial investments with a maturity of three months or less when purchased.

INVENTORIES

Inventories are stated at the lower of cost, determined on the first-in, first-out method, or market.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recorded at cost. Maintenance and repair costs are charged to expense as incurred, and expenditures that extend the useful lives of the assets are capitalized. The Company reviews property, plant and equipment for impairment whenever events or circumstances indicate that carrying amounts may not be recoverable through future undiscounted cash flows, excluding interest cost.

DEPRECIATION

Depreciation is provided on the straight-line method in amounts sufficient to amortize the cost of the properties over their estimated useful lives.

GOODWILL

Goodwill represents the excess of the purchase prices of acquired businesses over the estimated fair values of the net assets acquired. Goodwill is being amortized on a straight-line basis over periods not to exceed 20 years. The Company evaluates these assets for impairment whenever events or circumstances indicate that carrying amounts may not be recoverable through future undiscounted cash flows, excluding interest costs.

TAXES ON INCOME

Deferred taxes are provided for differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

FAIR VALUE AND CREDIT RISK OF FINANCIAL INSTRUMENTS

The carrying values of cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities approximate their fair market values due to the short-term maturities of these instruments. Investments in life insurance contracts are carried at surrender value, which approximates fair market value. The fair market value of long-term debt was estimated using rates currently available to the Company for debt with similar terms and maturities.

Financial instruments that potentially subject the Company to credit risk consist primarily of trade receivables and interest-bearing investments. Trade receivable credit risk is limited due to the diversity of the Company's customers and the Company's ongoing credit review procedures. The Company places its interest-bearing cash equivalents with major financial institutions and limits the amount of credit exposure to any one institution.

STOCK OPTIONS

The Company accounts for the issuance of stock options under the provisions of Accounting Principles Board No. 25, "Accounting for Stock Issued to Employees." Accordingly, for the Company's stock option plans, no compensation cost is recognized in the consolidated statement of income because the exercise price of the Company's stock options equals the market price of the underlying stock on the date of grant. Had compensation cost for the Company's stock option plans been determined based on the fair value at the grant dates for awards under those plans, the Company's net income and earnings per share would have been reduced to the pro forma amounts indicated below:

(thousands of dollars
except per share amounts)

	1998	1997	1996
	-----	-----	-----
Net income			
As reported	\$15,727	\$14,837	\$14,510
Pro forma	15,464	14,612	14,349
Basic earnings per share			
As reported	\$ 2.22	\$ 2.00	\$ 1.88
Pro forma	2.18	1.97	1.85
Diluted earnings per share			
As reported	\$ 2.19	\$ 1.96	\$ 1.84
Pro forma	2.15	1.93	1.81

Notes to Consolidated Financial Statements
Alltrista Corporation and Subsidiaries

The fair value of each option granted is estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions used for grants in 1998, 1997 and 1996, respectively: no dividend yield for all years, expected volatility of 23, 23 and 21 percent, risk-free interest rates of 4.7, 6.2 and 6.3 percent and expected lives of 7.5 years for all periods. The fair value of each option granted in 1998, 1997 and 1996 was \$10.96, \$9.42 and \$9.13, respectively.

EARNINGS PER SHARE

Basic earnings per share are computed by dividing net income by the weighted average number of common shares outstanding for the period. Diluted earnings per share are calculated based on the weighted average number of outstanding common shares plus the dilutive effect of stock options as if they were exercised.

A computation of earnings per share is as follows (in thousands except per share data) for the year ended December 31:

(thousands of dollars, except per share amounts)	1998	1997	1996
	-----	-----	-----
Basic earnings per share			
Income from continuing operations	\$17,597	\$17,241	\$15,404
Discontinued operations:			
Loss from discontinued operations	(908)	(2,404)	(183)
Net loss on disposal of discontinued operations	(962)	-	(711)
	-----	-----	-----
Net income	\$15,727	\$14,837	\$14,510
	=====	=====	=====
Weighted average number of common shares outstanding	7,079	7,413	7,737
	=====	=====	=====
Basic earnings per share:			
Income from continuing operations	\$ 2.48	\$ 2.33	\$ 1.99
Discontinued operations	(.26)	(.33)	(.11)
	-----	-----	-----
Net income	\$ 2.22	\$ 2.00	\$ 1.88
	=====	=====	=====
Diluted earnings per share			
Income from continuing operations	\$17,597	\$17,241	\$15,404
Discontinued operations:			
Loss from discontinued operations	(908)	(2,404)	(183)
Net loss on disposal of discontinued operations	(962)	-	(711)
	-----	-----	-----
Net income	\$15,727	\$14,837	\$14,510
	=====	=====	=====
Weighted average number of common shares outstanding	7,079	7,413	7,737
Additional shares assuming conversion of stock options	116	145	169
Weighted average number of common and equivalent shares	7,195	7,558	7,906
	-----	-----	-----
Diluted earnings per share:			
Income from continuing operations	\$ 2.45	\$ 2.28	\$ 1.95
Discontinued operations	(.26)	(.32)	(.11)
	-----	-----	-----
Net Income	\$ 2.19	\$ 1.96	\$ 1.84
	=====	=====	=====

BUSINESS SEGMENT INFORMATION

The Company adopted Statement of Financial Accounting Standards ("SFAS") No. 131, "Disclosures about Segments of an Enterprise and Related Information" during the fourth quarter of 1998. SFAS No. 131 requires, among other things, segments to be reported in a way management analyzes them for making operating decisions and assessing performance. Prior year's disclosures have been restated to conform to the current year presentation. The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies.

The Company is organized into two distinct segments: metal and plastic products. The Company's chief operating decision making group includes the president and the Group Vice Presidents. The operating segments are managed by the two Group Vice Presidents who are responsible for the segments' performance. The metal products segment includes sales of zinc and consumer products. This segment provides cast zinc strip and fabricated zinc products, primarily zinc battery cans and coinage. The U.S. Mint is the primary purchaser of coinage and, on the basis of net sales, is the largest customer of the Company. This segment also markets a line of home food preservation products, including Ball(R), Kerr(R), Bernardin(R) and Golden Harvest™ brand home canning jars, home canning jar closures, and related food products, which are distributed through a wide

variety of retail outlets.

The plastic products segment produces injection molded plastic products used in medical, pharmaceutical and consumer products, industrial thermoformed plastic parts for appliances, manufactured housing and recreational vehicles and multi-layer plastic sheet and formed containers used in food packaging. The majority of the industrial thermoformed plastic parts and multi-layer plastic sheet and formed container sales were to two customers.

Net sales, operating earnings, assets employed in operations, capital expenditures, and depreciation and amortization by segment are summarized as follows:

Notes to Consolidated Financial Statements
Alltrista Corporation and Subsidiaries

(thousands of dollars)	1998	1997	1996
	-----	-----	-----
Net sales:			
Metal products:			
Consumer products	\$ 89,710	\$ 79,573	\$ 57,096
Zinc products	51,679	60,291	57,501
Total metal products	-----	-----	-----
Total metal products	141,389	139,864	114,597
Plastic products:			
Industrial thermoformed parts	38,559	27,297	16,850
Injection molded products	36,100	30,434	33,105
Plastic packaging	28,100	42,051	43,946
Total plastic products	-----	-----	-----
Total plastic products	\$102,759	\$ 99,782	\$ 93,901
Intercompany sales	(102)	-	-
Total net sales	-----	-----	-----
	\$244,046	\$239,646	\$208,498
	=====	=====	=====
Operating earnings:			
Metal products	\$ 23,037	\$ 21,101	\$ 17,743
Plastic products(1)	8,338	10,728	11,501
Unallocated corporate expenses	(1,171)	(1,729)	(1,441)
Total operating earnings	-----	-----	-----
Interest expense, net	(1,822)	(2,256)	(2,571)
Income from continuing operations before taxes	-----	-----	-----
	\$ 28,382	\$ 27,844	\$ 25,232
	=====	=====	=====
Assets employed in operations:			
Metal products	\$ 76,249	\$ 66,274	\$ 72,499
Plastic products	55,171	53,364	46,737
Total assets employed in operations	-----	-----	-----
Discontinued operations	-	7,842	17,538
Corporate(2)	34,411	39,097	17,305
Total assets	-----	-----	-----
	\$165,831	\$166,577	\$154,079
	=====	=====	=====
Capital expenditures:			
Metal products(3)	\$ 5,974	\$ 3,297	\$ 17,333
Plastic products(4)	6,674	12,362	7,081
Discontinued operations	-	518	546
Corporate	261	99	372
Total capital expenditures	-----	-----	-----
	\$ 12,909	\$ 16,276	\$ 25,332
	=====	=====	=====
Depreciation and amortization:			
Metal products	\$ 3,439	\$ 3,580	\$ 3,003
Plastic products	6,540	6,089	5,962
Discontinued operations	283	523	1,390
Corporate	286	193	214
Total depreciation and amortization	-----	-----	-----
	\$ 10,548	\$ 10,385	\$ 10,569
	=====	=====	=====

<FN>

(1) Operating earnings for 1998 include a pre-tax charge of \$1.3 million to exit a plant.

(2) Corporate assets include cash and cash equivalents, amounts related to employee benefit plans, deferred tax assets and corporate facilities and equipment.

(3) Capital expenditures for 1996 include the purchase of the Kerr(R) brand home food preservation product line. (4) Capital expenditures for 1997 include the purchase of certain net assets of Viking Plastics.

</FN>

The Company's major customers are located within the United States and Canada. Net sales of the Company's metal products to Canada, including home food preservation products and coinage, were \$20.1 million, \$16.5 million and \$11.8 million in 1998, 1997 and 1996, respectively. Long-lived assets located outside the United States and net sales outside of the United States and Canada are not material.

Notes to Consolidated Financial Statements
Alltrista Corporation and Subsidiaries

INVENTORIES

Inventories were comprised of the following at December 31:

(thousands of dollars)	1998	1997
	-----	-----
Raw materials and supplies.....	\$ 8,589	\$ 9,410
Work in process and finished goods.....	29,692	23,773
	-----	-----
Total inventories	\$38,281	\$33,183
	=====	=====

DEBT AND INTEREST

The Company had \$25.7 million and \$30.0 million outstanding at year-end 1998 and 1997, respectively, under a private placement long-term financing agreement with a fixed interest rate of 7.8%. Maturities are \$4.3 million per year for seven years beginning December 1998. Concurrent with this borrowing, the Company entered into a three-year interest rate swap agreement with two counterparties which effectively converted the debt to London Interbank Offered Rate ("LIBOR") based floating rate debt, with the interest rate reset every six months. In May 1995, the Company terminated the swap agreement. This transaction resulted in a gain of \$.5 million which was amortized over the original term of the swap and effectively fixed the Company's interest rate on the long-term debt through December 1998 at 7.19%. The fair market value of the Company's long-term debt at December 31, 1998 and 1997 is estimated to be \$27.1 million and \$31.5 million, respectively.

The Company has a revolving credit agreement with a group of banks whereby the Company can borrow up to \$50 million through March 31, 2000, when all borrowings mature. The agreement may be terminated by the Company with three days notice. Interest on the borrowings is based upon fixed increments over adjusted LIBOR or the agent bank's alternate borrowing rate as defined in the agreement. The agreement also requires the payment of commitment fees on the unused balance. At December 31, 1998 and 1997, no borrowings were outstanding under this agreement.

The Company's debt agreements contain certain guarantees and financial covenants including current ratio requirements, interest coverage, minimum equity and maximum financial leverage requirements.

Interest paid on the Company's borrowings during the years ended December 31, 1998, 1997, and 1996 was \$2.4, \$2.5 and \$2.9 million, respectively.

COMPREHENSIVE INCOME

Effective January 1, 1998, the Company adopted SFASNo. 130, "Reporting Comprehensive Income". Under provisions of this statement, the Company has included a financial statement presentation of comprehensive income to conform to these new requirements. Statement 130 requires the Company's minimum pension liability and foreign currency translation adjustments, which, prior to adoption of the statement, were reported separately in shareholders' equity, to be included in other comprehensive income. As a consequence of this change, certain balance sheet reclassifications were necessary for previously reported amounts to achieve the required presentation of comprehensive income.

ACQUISITIONS

On May 19, 1997, the Company purchased certain assets and assumed certain liabilities of Viking Industries ("Viking Plastics") an Arkansas-based producer of large thermoformed plastic products sold to the manufactured housing and recreational vehicle industries. The acquisition was accounted for as a purchase. To date, the Company has paid \$9.4 million and may pay an additional \$4.0 million based upon incremental sales over the next two years. The purchase price was allocated to the assets purchased and liabilities assumed based on their estimated fair values as of the date of acquisition. The purchase price in excess of the fair value of assets purchased and liabilities assumed of \$6.2 million is being amortized over a 20-year period. Any contingency payments made by the Company will be added to goodwill. The impact of including the financial results of Viking Plastics on a pro forma presentation would not have been material.

On March 15, 1996, the Company acquired certain assets related to the home food preservation product line of Kerr Group, Inc. ("Kerr") for approximately \$14.6 million and accounted for the acquisition as a purchase. The purchase price was allocated to the equipment, raw materials inventory and a perpetual license to use the Kerr(R) trade name, based on their estimated fair values. The license to use the Kerr(R) trade name is being amortized over 20 years. In addition, the Company assumed the operating lease at Kerr's Jackson, Tennessee, manufacturing facility. During the third quarter of 1996, the Company announced its intention to close the Jackson facility and consolidate operations in its Muncie, Indiana, facility. As a result of this decision, acquisition costs of \$2.6 million were recorded in "Other Current Liabilities" for severance and the estimated net costs to close the Jackson facility, resulting in additional goodwill. The Jackson facility closure was completed in December 1997 as planned.

Notes to Consolidated Financial Statements
Alltrista Corporation and Subsidiaries

DISCONTINUED OPERATIONS

Effective September 28, 1998, the Company sold the assets of LumenX, its x-ray inspection equipment business, for \$3.2 million. As a result of the sale, the Company's consolidated financial statements and the notes thereto report this business as a discontinued operation. Prior-period financial statements have been restated accordingly. LumenX had net sales of \$7.2 million, \$15.5 million, and \$21.8 million in 1998, 1997, and 1996, respectively.

On September 30, 1997, the Company completed the sale of the machine vision inspection equipment product line of LumenX to Pressco Technology Inc. ("Pressco"). The sale, which consisted primarily of inventory, fixed assets and intangibles, was for \$1.0 million in cash and future consideration based upon Pressco's future sales of vision inspection equipment to the container industry.

Effective April 26, 1996, the Company sold its Metal Services company plants, real estate, equipment and coatings and inks inventory to U.S. Can Corporation for approximately \$14.4 million after certain transaction costs. Proceeds from the sale were used to reduce outstanding borrowings. In addition to the \$14.4 million sale proceeds, the Company received approximately \$13 million during 1996 from the sale of certain inventory and the collection of accounts receivable less amounts required to settle the accounts payable and other liabilities of the Metal Services business.

The disposal of the Metal Services Company assets has been accounted for as a discontinued operation in the accompanying statements of income. The 1996 loss from this disposal was \$.7 million, net of tax. Sales from this operation were \$18.0 million in 1996.

COSTS TO EXIT FACILITY

In July 1998, management initiated a plan to exit the Company's plastic injection molding facility in Arecibo, Puerto Rico. Operations in this facility ended in January 1999. Certain equipment was sold in February 1999. In accordance with SFAS121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of", the Company determined that a charge to write down the equipment to fair value was necessary in the third quarter of 1998. Fair value was based upon the selling price of the assets. The total cost to exit the facility is estimated to be \$1.3 million which includes the \$.7 million write down of the equipment and \$.6 million in other costs consisting primarily of employee severance and costs to return the leased facility to its original condition. The Company expects this action to generate approximately \$1.3 million of cash.

TAXES ON INCOME

The components of the provision for income taxes attributable to continuing operations were as follows for the years ended December 31:

(thousands of dollars)	1998	1997	1996
	-----	-----	-----
Current income tax expense:			
U.S. federal	\$ 8,562	\$ 9,769	\$ 8,652
Foreign	1,137	806	449
State and local	1,287	1,382	2,022
	-----	-----	-----
Total	10,986	11,957	11,123
	-----	-----	-----
Deferred income tax benefit:			
U.S. federal	(148)	(1,162)	(1,062)
State, local and other ..	(53)	(192)	(233)
	-----	-----	-----
Total	(201)	(1,354)	(1,295)
	-----	-----	-----
Total provision for income taxes	\$10,785	\$10,603	\$ 9,828
	=====	=====	=====

Foreign pre-tax income was \$2.8 million, \$2.1 million and \$1.1 million in 1998, 1997 and 1996, respectively.

Deferred tax liabilities (assets) are comprised of the following at December 31:

(thousands of dollars)	1998	1997
	-----	-----
Property, equipment and intangibles....	\$ 3,880	\$ 2,287
Other.....	483	711
	-----	-----
Gross deferred tax liabilities.....	4,363	2,998
	-----	-----
Accounts receivable allowances.....	(413)	(388)
Inventory valuation.....	(1,294)	(1,143)

Compensation and benefits.....	(5,036)	(4,234)
Other.....	(1,850)	(1,676)
	-----	-----
Gross deferred tax assets.....	(8,593)	(7,441)
	-----	-----
Net deferred tax asset.....	\$ (4,230)	\$ (4,443)
	=====	=====

At December 31, 1998 and 1997, there were no valuation allowances for deferred tax assets as management believes it is more likely than not that they will be realized through future taxable earnings or alternative tax strategies.

Notes to Consolidated Financial Statements
Alltrista Corporation and Subsidiaries

The difference between the federal statutory income tax rate and the Company's effective income tax rate as a percentage of income from continuing operations is reconciled as follows:

	1998	1997	1996
	-----	-----	-----
Federal statutory tax rate.....	35.0%	35.0%	35.0%
Increase (decrease) in rates resulting from:			
State and local taxes, net.	2.9	2.9	4.6
Other.....	.1	.2	(.6)
	-----	-----	-----
Effective income tax rate.....	38.0%	38.1%	39.0%
	=====	=====	=====

The income tax expense or benefit from discontinued operations differs from an expense or benefit calculated using the federal statutory tax rate primarily due to state income taxes and the amortization of intangible assets.

Total income tax payments made by the Company during the years ended December 31, 1998, 1997 and 1996 were \$8.2 million, \$9.8 million, and \$10.1 million, respectively.

RETIREMENT AND OTHER EMPLOYEE BENEFIT PLANS

Effective January 1, 1998, the Company adopted SFAS No. 132, "Employer's Disclosures about Pensions and Other Post Retirement Benefits". SFAS132 revises the disclosure requirements for these benefits.

All active employees other than those represented by bargaining units participate in a defined contribution plan ("Retirement Plan"). The Company makes contributions to the Retirement Plan based on an employee's age and length of service. In addition, the Company matches 100% of employee contributions of up to 2% of base compensation and 50% of additional employee contributions up to a maximum Company match of 4%, subject to statutory limitations. The Company's contributions to the Retirement Plan were \$1.8 million, \$1.8 million and \$1.7 million respectively, in the years ended December 31, 1998, 1997 and 1996.

For all active hourly employees at locations represented by bargaining units and the former hourly employees of the Metal Services division, the Company maintains a defined benefit pension plan. Plan benefits are based upon fixed rates for each year of service. Plan assets consist primarily of fixed income securities and common stocks. The Company's funding policy is to contribute at least the statutorily required amount.

The components of net periodic pension expense for the years ended December 31, 1998, 1997 and 1996 are as follows:

(thousands of dollars)	1998	1997	1996
	-----	-----	-----
Service cost of benefits earned during the period.....	\$ 253	\$ 254	\$ 313
Interest cost on projected benefit obligation.....	727	685	630
Investment gain on plan assets....	(1,192)	(1,649)	(835)
Net amortization and deferral.....	368	959	421
	-----	-----	-----
Net periodic pension expense.....	\$ 156	\$ 249	\$ 529
	=====	=====	=====

The following table is a reconciliation of the benefit obligation and the fair value of plan assets as of December 31, 1998 and 1997:

(thousands of dollars)	1998	1997
	-----	-----
Change in benefit obligation:		
Benefit obligation at beginning of year.	\$10,130	\$9,183
Service cost.....	253	254
Interest cost.....	727	685
Amendments.....	484	-
Actuarial gain.....	706	109
Benefits paid.....	(200)	(101)
	-----	-----
Benefit obligation at end of year.....	12,100	10,130
	-----	-----
Change in plan assets:		
Fair value of plan assets at beginning of year.....	9,799	7,989
Actual return on plan assets.....	1,192	1,649

Company contributions.....	-	391
Benefits paid.....	(252)	(230)
	-----	-----
Fair value of plan assets at end of year.....	10,739	9,799
	-----	-----
Funded status.....	(1,361)	(331)
Unrecognized net transitional asset.....	(18)	(27)
Unrecognized prior service cost.....	934	508
Unrecognized net loss.....	452	14
	-----	-----
Prepaid benefit cost.....	\$ 7	\$ 164
	=====	=====

In accordance with the provisions of SFAS 87, "Employer's Accounting for Pensions," the Company recorded an additional minimum liability of \$.9 and \$.3 million at December 31, 1998 and 1997, representing the excess of the unfunded accumulated benefit obligation over the accrued pension cost. The additional liability has been offset by intangible assets to the extent of previously unrecognized prior service cost.

Notes to Consolidated Financial Statements
Alltrista Corporation and Subsidiaries

The actuarial assumptions used to compute the funded status of the plan include a discount rate of 6.75% and 7.25% in 1998 and 1997, respectively, and an expected long-term rate of return on assets of 9.0% in both 1998 and 1997. The change in assumption had an immaterial effect of the funded status of the plan.

The Company also provides certain postretirement medical and life insurance benefits for substantially all of its non-union employees. Most employees not covered by the plan are covered by collective bargaining agreements, under which the Company contributes to multi-employer health and welfare plans.

The components of net periodic postretirement benefit expense for the years ended December 31, 1998, 1997 and 1996 are as follows:

(thousands of dollars)	1998 ----	1997 ----	1996 ----
Service cost of benefit earned.....	\$ 74	\$ 73	\$ 72
Interest cost on liability.....	111	102	118
Net amortization and deferral.....	(4)	(7)	4
	----	----	----
Net postretirement benefit cost.	\$181	\$168	\$194
	=====	=====	=====

The status of the Company's unfunded postretirement benefit obligation at December 31, 1998 and 1997 follows:

(thousands of dollars)	1998 -----	1997 -----
Change in benefit obligation:		
Benefit obligation at beginning of year.....	\$1,579	\$1,408
Service cost.....	74	73
Interest cost.....	111	102
Actuarial gain.....	88	41
Benefits paid.....	(47)	(45)
	-----	-----
Benefit obligation at end of year....	1,805	1,579
Unrecognized prior service cost.....	(56)	(60)
Unrecognized net loss.....	188	278
	-----	-----
Accrued benefit cost.....	\$1,937	\$1,797
	=====	=====

The assumed discount rate used to measure the benefit obligation was changed from 7.25% as of December 31, 1997 to 6.75% as of December 31, 1998. This change in assumption resulted in an immaterial increase in the benefit obligation. Increases in health care costs would not impact the benefit obligation or the annual service and interest costs recognized, except for one of the Company's facilities, as benefits under the medical plan consist of a defined dollar monthly subsidy toward the retiree's purchase of medical insurance. Due to the small number of employees not receiving a defined dollar monthly subsidy, the effect of a one-percent increase in the health care cost trend rate on the obligation and the annual service and interest costs is immaterial.

The Company has a deferred compensation plan that permits eligible employees to defer a specified portion of their compensation. The deferred compensation earns rates of return as specified in the plan. As of year end 1998 and 1997, the Company had accrued \$6.0 million and \$5.3 million, respectively, for its obligations under this plan. Interest expense on this obligation was \$.5 million in 1998 and \$.4 million in 1997. To effectively fund this obligation, in December 1996 the Company purchased variable rate life insurance contracts. Proceeds from the insurance contracts are payable to the Company upon the death of the participants. The cash surrender value of these contracts included in Other Assets was \$5.8 and \$4.6 million as of the years ended 1998 and 1997, respectively.

STOCK PLANS

The Company maintains a stock option plan for key employees, for which it has reserved 1,200,000 shares of the Company's common stock. It also maintains a stock option plan, for which it has reserved 10,000 shares of the Company's common stock, for the issuance of stock options to non-employee directors of the Company. The stock option price under both plans will not be less than the fair market value of the Company's common stock on the date of grant. Payment must be made at the time of exercise in cash or with shares of stock owned by the option holder (which are valued at fair market value on the exercise date). Options under the employee plan terminate ten years from date of grant and are exercisable in four equal installments commencing one year from grant. Options under the non-employee director's plan terminate ten years from date of grant and are exercisable one year from the grant date.

Notes to Consolidated Financial Statements
Alltrista Corporation and Subsidiaries

A summary of stock option activity for the years ended December 31, 1998 and 1997 is as follows:

	1998			1997		
	Shares	Weighted Avg. Option Price	Price Range	Shares	Weighted Avg. Option Price	Price Range
Outstanding at beginning of year.....	374,061	\$16.55	\$10.70 - \$24.125	473,074	\$15.05	\$10.70-\$24.125
New options granted.....	27,800	27.74	27.00 - 27.938	55,175	21.50	21.50
Exercised.....	(25,936)	12.27	10.70 - 22.25	(133,521)	12.79	10.70- 22.25
Canceled.....	(17,085)	22.59	19.625- 27.938	(20,667)	19.64	10.89- 24.125
Outstanding at end of year.....	358,840	17.44	10.70 - 27.938	374,061	16.55	10.70- 24.125
Exercisable at end of year.....	270,887	15.55	10.70 - 24.125	249,263	14.12	10.70- 24.125
Reserved for future grants.....	140,982	--	--	151,697	--	--

Significant option groups outstanding at December 31, 1998 and related weighted average price and life information follows:

Exercise Price	Options outstanding	Weighted average exercise price	Options exercisable	Weighted average exercise price	Weighted average remaining life (years)
\$22.25- \$27.94	66,388	\$24.35	32,154	\$22.38	7.4
18.75- 21.50	125,105	20.91	71,386	20.55	7.1
10.70- 13.25	167,347	12.11	167,347	12.11	2.7

The Company also maintains a restricted stock plan for key employees, for which it has reserved 50,000 shares of the Company's common stock. Restrictions under the plan lapse at a rate of 20% per year commencing one year from grant. Restricted stock totaling 8,224 shares was available for grant at December 31, 1998.

In 1993, the Company established an employee stock purchase plan, whereby the Company contributes 20% of up to \$500 of each participating employee's monthly payroll deduction. The Company contributed \$156,000, \$164,000, and \$206,000 to the plan in 1998, 1997 and 1996, respectively.

CONTINGENCIES

The Company is involved in various legal disputes in the ordinary course of business. In addition, the Environmental Protection Agency has designated the Company as a potentially responsible party, along with numerous other companies, for the clean up of several hazardous waste sites. Information at this time does not indicate that disposition of any of the legal or environmental disputes the Company is currently involved in will have a material, adverse effect upon the financial condition, results of operations, cash flows or competitive position of the Company.

SUBSEQUENT EVENTS (UNAUDITED)

On March 12, 1999, the Company entered into a definitive agreement to acquire the net assets of Triangle Plastics, Inc. and its subsidiaries ("Triangle Plastics") for \$148.0 million plus acquisition costs. The transaction will be accounted for as a purchase. Triangle Plastics manufactures heavy gauge industrial thermoformed parts for original equipment manufacturers in a variety of industries, including the heavy trucking, agricultural, portable toilet, recreational and construction markets. Through its TriEnda division, Triangle Plastics produces plastic thermoformed products for material handling applications. Triangle Plastics employs approximately 1,100 people and has a technical center and five production facilities located in Florida, Iowa, Tennessee and Wisconsin. Triangle Plastics had net sales of \$114.1 million in 1998.

QUARTERLY STOCK PRICES (UNAUDITED)

Quarterly sales prices for the Company's common stock, as reported on the composite tape, were as follows:

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
1998				
High.....	29 1/4	28 3/4	27 5/8	25
Low.....	26 7/8	24 1/4	19 3/4	19
1997				

High.....	25	27 3/8	27 3/4	29 3/4
Low.....	20 5/8	20 1/2	24 1/2	26 5/8

Notes to Consolidated Financial Statements
Alltrista Corporation and Subsidiaries

QUARTERLY RESULTS OF OPERATIONS (UNAUDITED)

(thousands of dollars except per share amounts)	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
	-----	-----	-----	-----	-----
1998					
Net sales.....	\$43,126	\$82,068	\$72,646	\$46,206	\$244,046
Gross profit.....	10,153	25,084	23,182	11,294	69,713
Net income from continuing operations.....	1,587	6,844	7,177	1,989	17,597
Net income.....	1,656	6,581	5,501	1,989	15,727
Basic net income per share:					
Income from continuing operations.....	\$.22	\$.94	\$ 1.03	\$.30	\$ 2.48
Net income.....	\$.23	\$.90	\$.79	\$.30	\$ 2.22
Diluted net income per share:					
Income from continuing operations.....	\$.21	\$.93	\$ 1.01	\$.29	\$ 2.45
Net income.....	\$.22	\$.89	\$.78	\$.29	\$ 2.19
1997					
Net sales.....	\$41,363	\$74,120	\$75,656	\$48,507	\$239,646
Gross profit.....	9,387	22,898	23,809	9,901	65,995
Net income from continuing operations.....	1,509	6,836	7,045	1,851	17,241
Net income.....	1,433	6,812	4,939	1,653	14,837
Basic earnings per share:					
Income from continuing operations.....	\$.20	\$.93	\$.95	\$.25	\$ 2.33
Net income.....	\$.19	\$.93	\$.67	\$.22	\$ 2.00
Diluted earnings per share:					
Income from continuing operations.....	\$.20	\$.91	\$.94	\$.25	\$ 2.28
Net income.....	\$.19	\$.91	\$.66	\$.22	\$ 1.96
1996					
Net sales.....	\$45,682	\$64,863	\$59,641	\$38,312	\$208,498
Gross profit.....	11,887	21,432	18,418	8,324	60,061
Net income from continuing operations.....	3,170	6,010	4,271	1,953	15,404
Net income.....	3,357	5,637	4,176	1,340	14,510
Basic earnings per share:					
Income from continuing operations.....	\$.40	\$.77	\$.55	\$.26	\$ 1.99
Net income.....	\$.43	\$.72	\$.54	\$.18	\$ 1.88
Diluted earnings per share:					
Income from continuing operations.....	\$.40	\$.75	\$.54	\$.26	\$ 1.95
Net income.....	\$.42	\$.70	\$.53	\$.18	\$ 1.84

Earnings per share calculations for each quarter are based on the weighted average number of shares outstanding for each period, and the sum of the quarterly amounts may not necessarily equal the annual earnings per share amounts. In addition, the effect of outstanding dilutive stock options has been included in diluted earnings per share in each year.

Notes to Consolidated Financial Statements
Alltrista Corporation and Subsidiaries

SIX-YEAR REVIEW OF SELECTED FINANCIAL DATA

	1998	1997	1996	1995	1994	1993
	-----	-----	-----	-----	-----	-----
Statement of Income Data						
Net sales.....	\$244,046	\$239,646	\$208,498	\$201,658	\$187,525	\$175,350
Earnings before interest and taxes (a) (b).....	30,204	30,100	27,803	24,018	24,904	25,388
Income from continuing operations.....	17,597	17,241	15,404	12,623	13,952	13,065
Gain (loss) from discontinued operations.....	(1,870)	(2,404)	(894)	(1,124)	2,176	379
Effect of accounting change (net of income taxes).....	--	--	--	--	--	(714)
Net income (a) (b).....	\$ 15,727	\$ 14,837	\$ 14,510	\$ 11,499	\$ 16,128	\$ 12,730
Basic earnings per share:						
Income from continuing operations.....	\$ 2.48	\$ 2.33	\$ 1.99	\$ 1.62	\$ 1.84	\$ 1.78
Gain (loss) from discontinued operations....	(.26)	(.33)	(.11)	(.15)	.29	.05
Effect of accounting change (net of income taxes).....	--	--	--	--	--	(.10)
	\$ 2.22	\$ 2.00	\$ 1.88	\$ 1.47	\$ 2.13	\$ 1.73
Diluted earnings per share:						
Income from continuing operations.....	\$ 2.45	\$ 2.28	\$ 1.95	\$ 1.58	\$ 1.79	\$ 1.73
Gain (loss) from discontinued operations....	(.26)	(.32)	(.11)	(.14)	.28	.05
Effect of accounting change (net of income taxes).....	--	--	--	--	--	(.09)
	\$ 2.19	\$ 1.96	\$ 1.84	\$ 1.44	\$ 2.07	\$ 1.69
Balance Sheet Data (at end of year)						
Total assets.....	\$165,831	\$166,577	\$154,079	\$162,650	\$156,725	\$143,107
Property, plant and equipment, net.....	46,856	45,010	45,660	56,083	59,040	58,693
Goodwill, net.....	24,548	24,947	20,549	7,534	8,219	819
Long-term debt.....	21,429	25,714	30,000	30,000	30,000	35,000

<FN>

(a) The year ended December 31, 1998 includes a \$1.3 million pretax charge to exit a plastic injection molding facility in Arecibo, Puerto Rico.

(b) The year ended December 31, 1995 includes a \$2.4 million pretax charge to write-off assets related to a discontinued zinc product development project.

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REPORT OF INDEPENDENT AUDITORS

Board of Directors and Shareholders
Alltrista Corporation and Subsidiaries

We have audited the accompanying consolidated balance sheet of Alltrista Corporation and subsidiaries as of December 31, 1998, and the related consolidated statement of income, comprehensive income, shareholders equity, and cash flows for the year ended December 31, 1998. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of Alltrista Corporation for the years ended December 31, 1997 and 1996, prior to the modifications described below, were audited by other auditors whose report dated January 30, 1998 expressed an unqualified opinion on those statements.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the 1998 financial statements referred to above present fairly, in all material respects the consolidated financial position of Alltrista Corporation and subsidiaries at December 31, 1998, and the consolidated results of their operations and their cash flows for the year ended December 31, 1998, in conformity with generally accepted accounting principles.

We also audited the adjustments described in the Discontinued Operations footnote that were made to recast the 1997 and 1996 financial statements. In our opinion, such adjustments were appropriate and have been properly applied. Further, we have audited the Business Segment Information footnote for 1997 and 1996. In our opinion, the segment information has been presented in accordance with Statement of Financial Accounting Standard Number 131, Disclosures about Segments of an Enterprise and Related Information.

/s/ Ernst & Young LLP

Indianapolis, Indiana
February 1, 1999

DIRECTORS AND CORPORATE OFFICERS
ALLTRISTA CORPORATION

DIRECTORS

Thomas B. Clark (3) (4)
President &
Chief Executive Officer
Alltrista Corporation
Indianapolis, Indiana

William A. Foley (2) (3) (4)
Chairman, President &
Chief Executive Officer
LESCO, Inc.
Rocky River, Ohio

Richard L. Molen (2) (3) (4)
Retired Chairman, President &
Chief Executive Officer
Huffy Corporation
Miamisburg, Ohio

William L. Peterson (1) (2)
Chairman of the Board
Retired President &
Chief Executive Officer
Muncie, Indiana

Lynda Watkins Popwell (1)
President
Carolina Eastman Division
Eastman Chemical Company
Columbia, South Carolina

Patrick W. Rooney (1) (3)
Chairman & Chief Executive Officer
Cooper Tire & Rubber Company
Findlay, Ohio

David L. Swift (1) (2) (4)
Former Chairman, President &
Chief Executive Officer
Acme-Cleveland Corporation
Cleveland, Ohio

- (1) Audit Committee
- (2) Executive Compensation Committee
- (3) Nominating Committee
- (4) Strategy Committee

CORPORATE OFFICERS

Thomas B. Clark (22)
President &
Chief Executive Officer

Kevin D. Bower (6)
Senior Vice President &
Chief Financial Officer

Jerry T. McDowell (28)
Group Vice President, Metal Products

John F. Zappala*
Group Vice President, Plastic Products

Angela K. Knowlton (5)
Vice President & Treasurer

Larry D. Miller (19)
Vice President,
Communications & Investor Relations

J. David Tolbert (11)
Vice President,
Human Resources & Administration

Garnet E. King (17)
Corporate Secretary

(Years of service)

* Joined company in November 1998

CORPORATE INFORMATION
ALLTRISTA CORPORATION

CORPORATE HEADQUARTERS

Alltrista Corporation
Suite 440
5875 Castle Creek Parkway, North Drive
Indianapolis, IN 46250-4330
Telephone: 317.577.5000 Fax: 317.577.5001

STOCK TRANSFER AGENT

General Shareholder Correspondence: First Chicago Trust Company, a division of EquiServe, P.O. Box 2500, Jersey City, NJ 07303-2500. Transfer of stock ownership: First Chicago Trust Company, a division of EquiServe, P.O. Box 2506, Jersey City, NJ 07303-2506. Operators are available Monday-Friday, 8:30 a.m. to 7 p.m. EST. An interactive automated phone system is available 24 hours a day. Inside the U.S., 1.800.446.2617; outside the U.S., 1.201.324.0498; TDD/TTY for the hearing impaired, 1.201.222.4955. E-mail is fctc@em.fcncbd.com. Internet site is <http://www.equiserv.com>.

DUPLICATE COPIES

If you receive duplicate copies of annual or quarterly reports, extras may be eliminated by requesting only one copy be sent. Send labels or information indicating which name you wish to keep on the list and which names should be deleted to the stock transfer agent.

ANNUAL MEETING

Alltrista Corporation's 1999 annual meeting will, like prior years, be held solely to report the results of voting on those matters listed in the proxy statement sent to all shareholders. There will be no other business transacted, and it is not anticipated that any directors or senior executives will be in attendance. The meeting to count votes will be at 8 a.m. (EST) on May 12, 1999, at the corporate headquarters. A written report of the vote will be mailed to shareholders immediately following the meeting.

FORM 10-K

A copy of the company's Form 10-K (annual report filed with the Securities and Exchange Commission) will be sent to any stockholder upon request in writing to Garnet E. King, Corporate Secretary.

COMPANY CONTACTS

For shareholder records questions write Garnet E. King, Corporate Secretary. Call her at 1.800.696.8451 or contact her by e-mail at gking@alltrista.com.

For information or assistance about stock holdings, transfer requirements and address changes, or duplicate mailings, contact the stock transfer agent at the addresses listed under stock transfer agent.

For any other information about the company, contact Larry D. Miller, Vice President, Communications and Investor Relations, at 1.800.696.8451 or contact him by e-mail at lmiller@alltrista.com. For information on the Internet about the company and its operating business units, as well as news releases and other financial information, see <http://www.alltrista.com>. Click on news releases, then Reuters Financials.

EQUAL OPPORTUNITY

Alltrista Corporation is an equal opportunity employer.

TRADEMARKS

Ball(R) is a registered trademark of Ball Corporation under limited license to Alltrista Corporation. Kerr(R) is a registered trademark of Kerr Group, Inc., under limited license to Alltrista Corporation. EVA(R) is a registered trademark of Stern Stewart & Co. Golden Harvest(R) is a registered trademark under license to Hearthmark, Inc., a wholly owned subsidiary of Alltrista Corporation. Collection Elite(TM) is a trademark of Alltrista Corporation.

FORWARD-LOOKING STATEMENTS

Under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, the company cautions investors that any forward looking statement of projections made by the company, including the letter to shareholders and the management's discussion and analysis portion of this annual report to shareholders, are subject to risks and uncertainties that may cause actual results to differ materially from those projected. The company's operations may be influenced by weather effects of home canning; U.S. Mint/Federal Reserve requirements for the U.S. penny; competition and/or substitute products; economic factors, such as changes in inflation and interest rates; and legal factors, including environmental and product liability matters.

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ALLTRISTA CORPORATION AND SUBSIDIARIES
 SUBSIDIARIES OF ALLTRISTA CORPORATION

Company	Shareholder	State of Incorporation/ Organization
-----	-----	-----
Alltrista Unimark, Inc.	Alltrista Corporation	Indiana
Bernardin Ltd.	Alltrista Limited	Canada
Alltrista Limited	Alltrista Corporation	Canada
Alltrista Newco Corporation	Alltrista Corporation	Indiana
Quoin Corporation	Alltrista Corporation	Delaware
Hearthmark, Inc.*	Quoin Corporation	Indiana
Alltista Plastics Corporation**	Quoin Corporation	Indiana
Alltrista Zinc Products, L.P.***	Quoin Corporation (LP 99%) Alltrista Newco Corporation (GP 1%)	Indiana

- * (DBA) Alltrista Consumer Products Company
 ** (DBA) Alltrista Plastic Packaging Company
 Alltrista Industrial Plastics Company
 Alltrista Unimark Plastics Company
 *** (DBA) Alltrista Zinc Products Company

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Consent of Independent Accountants

We hereby consent to the incorporation by reference in each Registration Statement on Form S-8 (Registration Statement Nos. 33-60622, 33-60730, 333-27459, 333-27461, 333-67033) of Alltrista Corporation of our report dated January 30, 1998 appearing in this Annual Report on Form 10-K. We also consent to the incorporation by reference of our report on the Financial Statement Schedule, which appears in this Form 10-K.

/s/ PRICEWATERHOUSECOOPERS LLP

PricewaterhouseCoopers LLP
Indianapolis, Indiana
March 26, 1999
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Consent of Independent Accountants

We consent to the incorporation by reference in this Annual Report (Form 10-K) of Alltrista Corporation of our report dated February 1, 1999, included in the 1998 Annual Report to Shareholders of Alltrista Corporation.

Our audit also included the 1998 financial statement schedule of Alltrista Corporation listed in Item 14(a). This schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audit. In our opinion, the financial statement schedule referred to above, when considered in relation to the basic financial statements taken as a whole, present fairly in all material respects the information set forth therein.

We also consent to the incorporation by reference in Registration Statement Number 33-60622 on Form S-8 dated March 31, 1993, Registration Statement Number 33-60730 on Form S-8 dated March 31, 1993, Registration Statement Number 333-27459 on Form S-8 dated May 20, 1997, Registration Statement Number 333-27461 on Form S-8 dated May 20, 1997, and in Registration Statement Number 333-67033 on Form S-8 dated November 10, 1998 of our report dated February 1, 1999, with respect to the consolidated financial statements of Alltrista Corporation incorporated by reference in the 1998 Annual Report (Form 10-K) for the year then ended December 31, 1998.

/s/ ERNST & YOUNG LLP

Indianapolis, Indiana
March 26, 1999

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