Ball Corporation (NYSE: BALL)

Q2 2026 Earnings Call Transcript

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This presentation contains references to Non-U.S. GAAP measures. Non-U.S. GAAP measures should not be considered in isolation. They should not be considered superior to, or a substitute for, financial measures calculated in accordance with U.S. GAAP and may not be comparable to similarly titled measures of other companies. Presentations of earnings and cash flows presented in accordance with U.S. GAAP are available in the company's earnings releases and quarterly and annual regulatory filings. Information reconciling forward-looking U.S. GAAP measures to non-U.S. GAAP measures is not available without unreasonable effort. We have not provided guidance for the most directly comparable U.S. GAAP financial measures, as they are not available without unreasonable effort due to the high variability, complexity and low visibility with respect to certain special items, including restructuring charges, business consolidation and other costs, gains and losses related to acquisition and divestiture of businesses, the ultimate outcome of certain legal or tax proceedings and other non-comparable items. These items are uncertain, depend on various factors and could be material to our results computed in accordance with U.S. GAAP. Please refer to the appendix of this presentation for reconciliations of non-U.S. GAAP financial measures to the most directly comparable U.S. GAAP measures.

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Brandon Potthoff

Head of Investor Relations

Good morning, everyone. This is Ball Corporation's conference call regarding the company's second quarter 2026 results. During this call, we will reference our second quarter 2026 earnings presentation available through this webcast and on our website at investors.ball.com.

The information provided during this call will contain forward-looking statements. Actual results or outcomes may differ materially from those that may be expressed or implied. We assume no obligation to update any forward-looking statements made today.

Some factors that could cause the results or outcomes to differ are described in the company's latest Form 10-K, other SEC filings, and in today's earnings release and earnings presentation.

If you do not already have our earnings release, it is available on our website at ball.com. Information regarding the use of non-GAAP financial measures may also be found in the notes section of today's earnings release.

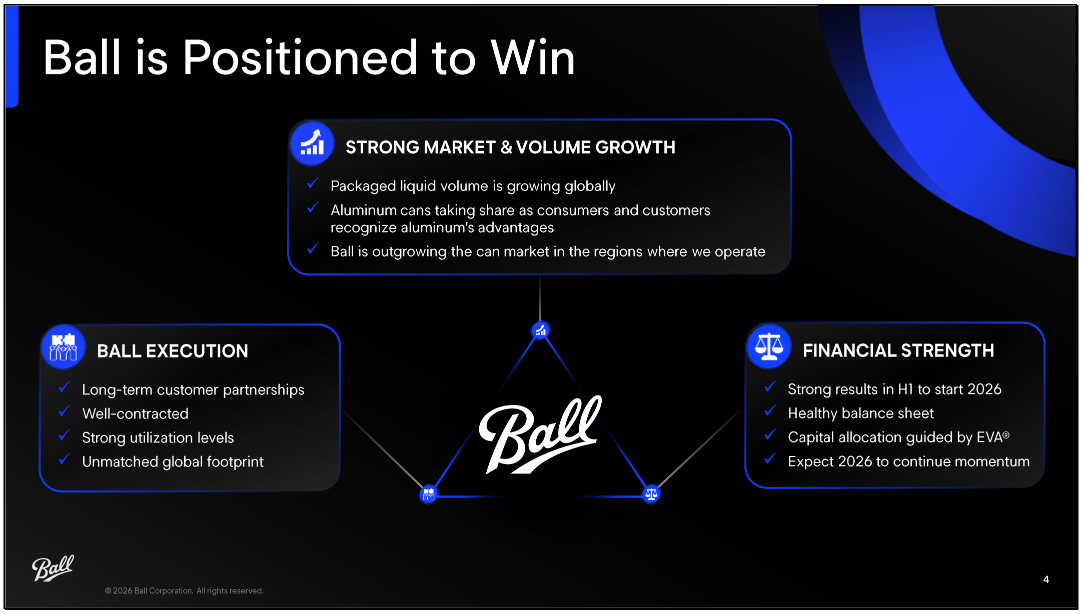
In addition, this presentation and the release include a summary of non-comparable items as well as a reconciliation of comparable net earnings and diluted earnings per share calculations.

I would now like to turn the call over to our CEO, Ron Lewis.

Ronald J. Lewis
CEO & Director

Thank you, Brandon.

Today, I'm joined by Dan Rabbitt, Senior Vice President and Chief Financial Officer. I will provide some brief introductory remarks and discuss second quarter and first half 2026 financial performance and our outlook for the remainder of 2026. Dan will touch on key metrics, and then we will finish up with closing comments and a question-and-answer session.



As we begin, I want to reinforce the same big-picture message we have discussed in prior quarters, because it remains central to how we think about Ball's long-term value creation.

The fundamentals supporting our business remain firmly in place. Packaged liquid volume continues to grow globally, and aluminum cans continue to gain share as consumers, customers and retailers prioritize convenience, performance and sustainability. These trends continue to support a durable runway of demand for our products.

Within that growing market, Ball remains well positioned. Across our regions, we continue to benefit from long-term customer partnerships, a well-contracted portfolio, disciplined capacity management and an unmatched global footprint. Together, those advantages support strong utilization and consistent commercial performance.

We are pairing those operating advantages with financial discipline. Through the first half of 2026, our results have reinforced our confidence in the framework we laid out for the year, supported by a healthy balance sheet and a capital allocation approach grounded in EVA. We remain focused on investing where we can earn attractive returns and returning capital to shareholders.

Operationally, our teams continue to make progress. Standardization, cost discipline and the Ball Business System are helping us reduce complexity, improve productivity and create a more repeatable operating model as volumes grow.

When you bring together attractive industry fundamentals, strong customer relationships, disciplined execution, financial strength and an operating system built for continuous improvement, Ball remains well positioned to deliver on our 2026 objectives and create long-term value for shareholders.

Our first half results reinforce the resilience of our business and the consistency of our execution, even as the external environment remains complex.

The strategy we have discussed in prior quarters remains clear, consistent and grounded in four strategic pillars — and our first-half performance provides further evidence that it is working.

First, we remain focused on executing in our core business. That discipline shows up through service, cost management and ongoing efforts to improve operational consistency across our plants and regions.

Second, we stay close to our customers and maximize the strength of our global network, long-term customer partnerships, strong service levels and a balanced footprint give us the flexibility to respond quickly and reliably.

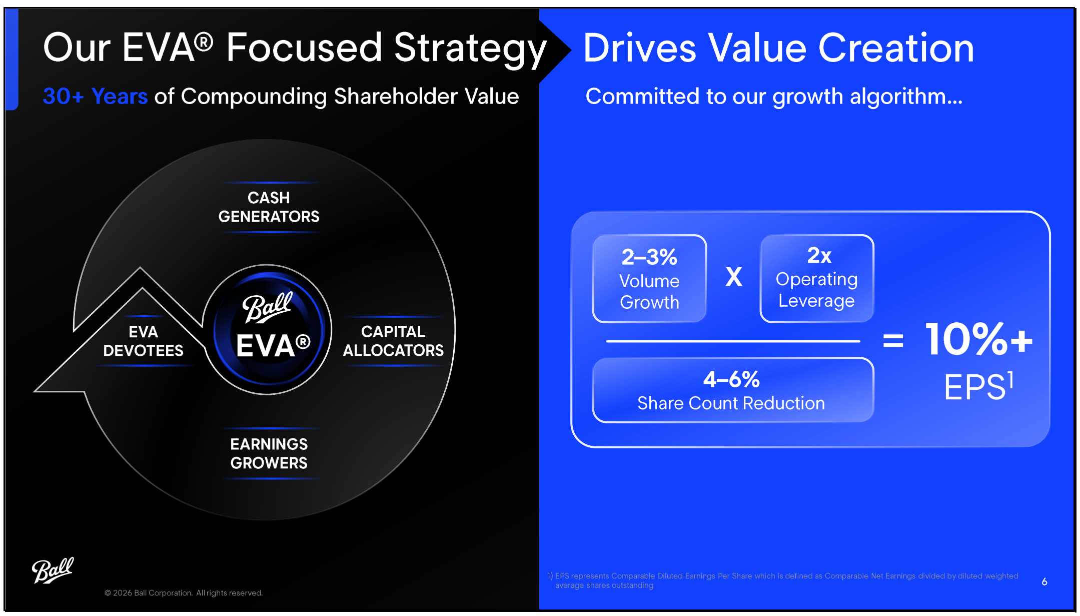
Third, we continue to accelerate the substrate shift to aluminum and expand into targeted categories. Aluminum's sustainability and performance advantages remain compelling, and we are focused on translating those advantages into disciplined growth.

Fourth, we manage complexity to our advantage. Our scale, standardization and systems help us stay focused on the levers we control and build more repeatable performance over time.

The Ball Business System connects these priorities across the organization helping us standardize best practices, improve productivity and drive continuous improvement.

At the center of that system are our people and culture — low ego, high collaboration and a shared commitment to doing the right things the right way.

That consistency is what supports our first-half performance and gives us confidence in our ability to deliver on our 2026 objectives while continuing to create long-term value.

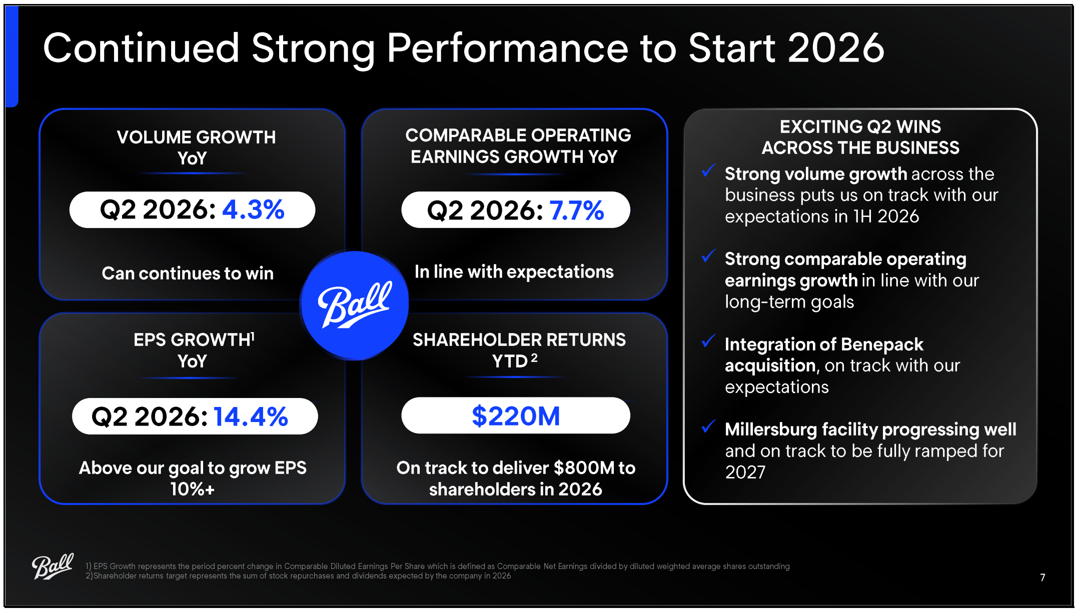


That is where the Ball Business System and EVA come together. One, helping us to operate with greater consistency, the other, guiding how we allocate capital to create long-term value.

In the second quarter and first half, that discipline showed up in our financial performance while we continue to focus on delivering operational results in line with our Ball Business System goals.

It is also why our 2026 framework remains unchanged: 10-plus percent comparable diluted EPS growth, strong free cash flow and consistent returns to shareholders.

With that context, let me address how those priorities translated into our second quarter and first half results.



Turning to our second quarter performance. We continue to build on the solid start we discussed last quarter.

Global volumes improved 4.3% year-over-year with growth in each region, reflecting continued momentum across our portfolio and keeping us on track with the full year volume outlook we outlined earlier this year.

Comparable operating earnings grew 7.7% year-over-year, supported by disciplined cost management commercial performance and continued progress through the Ball Business System, even as we absorbed the previously discussed North American start-up costs.

That performance flowed through to the bottom line, with comparable diluted EPS growth of 14.4%, reflecting operating earnings performance and capital allocation. Our first half performance reinforces our confidence in delivering 10-plus percent comparable diluted EPS growth for the full year.

We also remained focused on shareholder returns and remain on track to return approximately $800 million to shareholders in 2026.

Operationally, we continue to advance our priorities, including integrating Benepack to expand our EMEA capacity and continuing to make progress at our Millersburg facility, which remains on track toward full ramp-up in 2027.

Overall, this was a solid second quarter and first half that reinforced the resilience of our business and our confidence in the 2026 framework.

With that context, I'll let Dan walk through the details of our second quarter financial performance and provide more color on our expectations for the balance of 2026. Over to you, Dan.

Daniel J. Rabbitt
Senior VP & CFO

Thank you, Ron.

I'll walkthrough our second quarter 2026 financial performance and provide additional context on the first half and our expectations for the balance of the year.

Overall, the business continued to perform well in the second quarter. Global shipped beverage can volumes increased 4.3% year-over-year, supported by growth across each region and continued progress against our full year expectations.

Across both the quarter and the first half, our teams remained focused on service, cost discipline and improving the controllable performance drivers that support our 2026 framework.

As Ron noted, comparable operating earnings increased 7.7% year-over-year and comparable diluted EPS increased 14.4%, aided by disciplined performance and capital allocation tailwinds. Our first half performance remains consistent with the financial framework we laid out in 2026.

In North and Central America, volumes increased low single digits year over year, consistent with our expectation for full-year growth at the low end of our long-term 1 to 3 percent range. Demand remained constructive in energy drinks and non-alcoholic beverages.

Segment comparable operating earnings declined 2.4% year-over-year as higher costs, including approximately $5 million of start-up costs were partially offset by favorable price mix, including the timing of metal pass-through to our large customers who procure their own aluminum. We continue to expect full year start-up costs to total approximately $35 million, with roughly $30 million expected in the second half.

In EMEA, volumes increased mid-single digits year-over-year, supported by underlying demand and the contribution from Benepack, partially offset by last year's sale of our Saudi Arabian business. Segment comparable operating earnings increased 6.6% year-over-year, reflecting higher volume and favorable price mix, partially offset by higher costs.

We continue to make progress integrating the Hungary and Belgium facilities for 2026 with the inclusion of Benepack, we continue to expect volume growth above the top end of our long-term 3% to 5% range.

In South America, volumes increased mid-teens year-over-year as the region moved past first quarter customer timing and inventory impacts. Segment comparable operating earnings increased 64% year-over-year, driven by higher volumes and favorable price/mix. Looking ahead, we continue to expect volume growth at the low end of our long-term 4% to 6% range in 2026.

2026 Guidance

Guidance unchanged and on track to grow EPS10%+ in 2026

GUIDANCE	
EPS growth[1]	10%+
Free cash flow	$900M+
OPERATING ASSUMPTIONS	
Effective tax rate	~23.5%
Interest expense	$310M
Capex	~$600M (in-line with D&A)
Corporate undistributed costs	~$175M
Net leverage	~2.7x
Shareholder returns	$800M target

1) EPS Growth represents the period percent change in Comparable Diluted Earnings Per Share which is defined as Comparable Net Earnings divided by diluted weighted average shares outstanding

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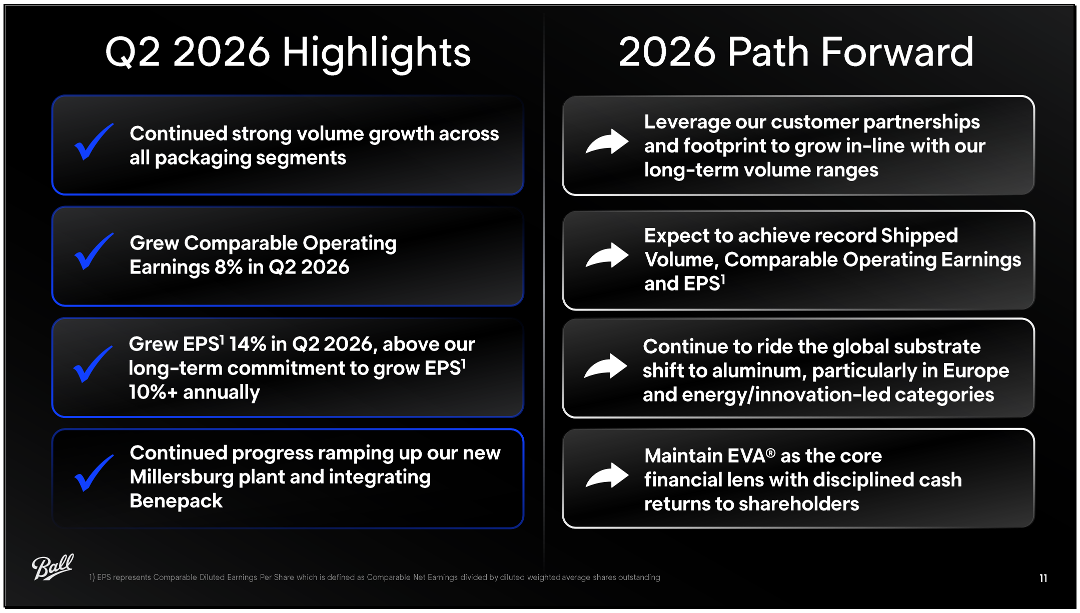
Now focusing on modeling details for 2026.

As Ron noted, with the resilience of our business and our pass-through models, we continue to expect to be on track with our long-term 10%-plus comparable diluted EPS growth goal.

- We anticipate free cash flow of greater than $900 million in 2026.
- Our 2026 full-year effective tax rate on comparable earnings is expected to be slightly above 23 percent
- Full-year 2026 interest expense is expected to be in the range of $310 million
- CAPEX is expected to be in line with GAAP D&A in 2026
- Full-year 2026 reported adjusted corporate undistributed costs recorded in “other” non-reportable are expected to be in the range of $175 million
- We anticipate year-end 2026 net debt to comparable EBITDA to be around 2.7x, and we will repurchase at least $600 million of shares, which will bring our total capital return to shareholders to $800 million in 2026.
- And, last week, Ball’s Board declared its quarterly cash dividend

With that, I’ll turn it back to Ron.



Ronald J. Lewis
CEO & Director

Thanks, Dan.

In summary, the key message is that we are delivering against the framework we laid out for 2026. Through the first half, we grew global volumes, expanded comparable diluted EPS and generated strong earnings performance and remained on track with our free cash flow and capital return priorities.

That progress reflects the consistency of our strategy and the discipline of our teams. We continue to stay close to our customers, manage the levers we control, invest through an EVA lens and use the Ball Business System to improve how we operate across the company.

Importantly, our first half results reinforce our confidence in the full year framework. We remain focused on delivering 10-plus percent comparable diluted EPS growth generating strong free cash flow and returning approximately $800 million to shareholders in 2026.

We know there is still work ahead, and our teams remain focused on the operating and commercial priorities that matter most in the second half. But the first half demonstrates that the strategy is consistent, the framework is intact and Ball remains well positioned to create long-term value for shareholders.

Thank you, and with that, Christine, we are ready for questions.

Question and Answer

Operator

[Operator Instructions] Our first question comes from the line of Ghansham Panjabi with Baird.

Ghansham Panjabi
Robert W. Baird & Co. Incorporated, Research Division

Ron, I know comparisons are a bit tougher in the Beverage North and Central America segment given your performance from last year. But sort of looking back, how did the flagship events over the summer, including America 250 and the World Cup, impact your volumes? Was that material in any way? Or were you supply constrained just given your footprint position at this point?

Ronald J. Lewis
CEO & Director

We said coming into the year in North America that we were running notably tight and that certainly is the case. And so we didn't see any really meaningful growth in North America due to America 250 or World Cup. But what it did do coming into this quarter and, quite frankly, Q3 that we've just started, it gave us a lot of confidence in the growth that we were going to see and that flowed through.

I mean we served our customers with distinction and the best of our ability, but the fact of the matter is we are trying to bring this new plant up in Millersburg, and until we do that, we will be notably tight until we can get that capacity up and running.

Ghansham Panjabi
Robert W. Baird & Co. Incorporated, Research Division

And then in Europe, adjusting for Benepack and some of the portfolio moves there and segment realignment, et cetera, what were underlying volumes during the second quarter? And was that consistent with your expectations going into 2Q?

Ronald J. Lewis
CEO & Director

Thanks, Ghansham. Let me answer the high level and then I'll let Dan do some of the details. But in general, our long-term growth outlook is 3% to 5% growth, what we've said is with the acquisition of Benepack for the full year, we should be exceeding that on an annualized basis. And for sure, our organic business was right in line with what our long-term growth outlook is. But there is some puts and takes in there with the change in the sector. So let me let Dan kind of detail that out for, if you don't mind.

Daniel J. Rabbitt
Senior VP & CFO

Ghansham, yes, I think really, we grew our volumes second quarter a little less than 500 million unit cans compared to last year. The way to think about where it came from was our legacy businesses now in that segment are really the traditional Europe footprint that we've had for a while now and some Asian assets. And when you look at it, those delivered mid-single-digit growth for that segment.

And the puts and takes that kind of neutralize each other was the integration of the Benepack business, and that came with some cans, but it also was offset by the loss of the Saudi Arabian business as well. So good performance, it was really all done on our -- on the assets that we brought into the year, and we're overall pleased with where they stand.

Operator

Our next question comes from the line of Anthony Pettinari with Citi.

Anthony James Pettinari
Citigroup Inc., Research Division

The detail and the full-year outlook are extremely helpful. I'm just wondering if there's any finer point you could put on kind of the cadence from 3Q to 4Q versus maybe kind of a normal seasonal cadence. I mean you talked about the start-up costs, and I think you talked about them in the second half. I'm just wondering if we could expect those to be more weighted towards 3Q or 4Q? Or if there are changes in energy costs in EMEA? Or just any kind of thoughts on what the 3Q, 4Q cadence might look like versus a "normal" year?

Ronald J. Lewis
CEO & Director

Anthony, thanks for the question. So what we have said is we expect roughly $35 million worth of startup costs in the year. We've detailed about $5 million of those in the first half of the year, really in the second quarter. And for Q3, Q4, to be frank, like it's a little challenging for us to give you a specific number. We still expect to see the $30 million of the $35 million flow into the back half of the year.

What I will say is really great news for us is our plant in Millersburg is now making commercial cans as of last month, and we're looking forward to ramping that up, and you should expect to see the full benefit of that in 2027. We're just in the process of getting it ramped up. So I wouldn't want to provide any more details than just the back half. I hope that's okay.

Anthony James Pettinari
Citigroup Inc., Research Division

No, no, that's fair. And then maybe just a related question. I don't know if you can give maybe some additional thoughts or color on the South American market and your individual markets there given -- thoughts on the second half, given the 2Q outperformance. Some of your peers have maybe expressed some conservatism towards the end of the year. I'm just wondering if you can give any more thoughts given the really strong quarter that you had there.

Ronald J. Lewis
CEO & Director

We're quite frankly, really pleased with our performance in South America. We noted last quarter that we were going to see a good second quarter when we knew that, that was coming through. And I mentioned how we were doing relative to our Q1 performance when we talked about April.

So firstly, South America can be volatile. We know that quarter to quarter. And it's driven by customer activity that we have the privilege to serve, what time of year it is, et cetera, et cetera. So I think I would start by just saying, let's not get too fixated on any one given quarter. Last quarter, we were down a little bit. This quarter, we were up a lot.

For the full year, we are focused on delivering against our long-term growth outlook of 4% to 6%. And we came into the year saying we'd be on the low end of that range. We have even more confidence that we'll be at least at the low end of that range and maybe even into the middle of that range on a full year basis. So Q1 and Q2 kind of offset and we more than make up. We're right in that -- we're right where we're supposed to be for the full year as we sit here today through the first half of the year.

Other than that, we're just focused on serving our customers. The can market in general -- I would say, can market in general in South America is very healthy. What is unique to us, and you mentioned it, is that we are the can maker in South America that makes cans in more countries than anybody else. So we have a privileged place in the region.

What happened in the quarter, we drove strong mid-teen volume growth combined with a really good network, really good operational performance, really good commercial performance, and that delivered meaningful flow through. I don't want to comment anything specifically about individual countries other than to say outside of Brazil, which is the predominance of our business. All of the countries that are also in South America for us generally are accretive to our business, and this quarter was no exception.

So I would summarize the quarter by saying, we have a privileged customer portfolio, and they enjoyed success from World Cup, and we benefited from their success.

Operator

Our next question comes from the line of George Staphos with Bank of America.

George Leon Staphos
BofA Securities, Research Division

I wanted to spend my first question on operations. And then second question, dig into the volume outlook.

Ron, if we look at the results, and they were certainly at least in line with your guidance, in North and Central America, though, even if we add back the start-up costs, I think EBIT would have been -- comparable EBIT would have been about flat despite volume growth. And so recognizing there is inflation with Millersburg, I'm sure there are other factors that maybe hit the network. Can you talk why you didn't see your normal or your at least targeted operating leverage.

And then within Europe as well, we had mid-single-digit volume growth. I don't think we saw, if I did my calculations right, the normal lift in EBIT relative to volume. Was that, Dan, just a function of the different moving pieces, one year versus the other in terms of the businesses there? How should we think about that?

Ronald J. Lewis
CEO & Director

I'll start, and then I'll ask Dan to add a little color, if you don't mind.

Starting in North America, we are notably tight as we've said, coming into the year. And we did have volume growth in the quarter and the first half of the year in North America. So with those high utilization rates and quite frankly, some good volume growth that we knew was coming through, it equates to some operational friction, no doubt. And that puts pressure on everything, on the way we plan on scheduling, on labor, on freight, maintenance, et cetera, et cetera, and a little shout out to our teams that work in our plants, it's extremely hot. Like as I walk in our plants, it's an environment that is challenging to work in. So thanks to them.

And that's why, quite frankly, we're investing for growth. We bought a plant in Florida, as you know. It's fully operational for us and fully integrated into our network, and now we're bringing up this new plant in Millersburg, Oregon and that will relieve some pressure and obviously support our customers and help us to deliver operating leverage in the long-term.

From a European perspective, I would just say the acquisition that we made of the two plants, one in Belgium and one in Hungary. We knew that we are also quite tight in Europe, and these were two acquisitions that helped from that capacity standpoint. But we also knew that we needed to get them ramped up and into our network. That will take us more or less the full year of 2026, and so we're similarly tight there, and it's similarly hot, and we are managing through that process.

But from an overall puts and takes, maybe Dan, you could take the back half of that question.

Daniel J. Rabbitt
Senior VP & CFO

Yes, as we think about the quarter, I think we have to say that the demand -- the volume demand was really strong, strong in all of our markets. And our two biggest markets both U.S. -- the North America and the EMEA segment really came in with limited capacity, so we were pretty tight coming in. Volumes and orders came in really strong. So it obviously put a little stress and strain on our network.

So -- but really, when you look at it, we never really wanted or had intended to be evaluated on every segment, every quarter on operating leverage. It's just not the way the business works. And you pointed out, obviously, that we came up a little short in North America. And that really does come from the fact that we saw some start-up costs, and also with the strong demand, it really just challenged us to deliver at times.

And these are good problems to have because they're based on orders and strong demand. But I think that's the main takeaway. I think the operating leverage in rest of the company was pretty good. And actually for the enterprise at large, it was fabulous. 8% operating earnings growth, we don't do much better than that ever. And so that's a great mark.

George Leon Staphos
BofA Securities, Research Division

Yes. I appreciate that, Dan. I just wanted to peer under the hood, so to speak.

Point of clarification. Was there any operational friction cost related to Benepack in 2Q that in some ways we should adjust for?

And then the second question, Ron, you talked about strength, obviously, in energy and nonalcoholic beverages. So what are you seeing and implying in terms of the outlook for alcohol, for beer? Has there been any change in momentum in some of the ready-to-drink in other categories?

Ronald J. Lewis
CEO & Director

First, on your question on Benepack operational friction. These are plants. One is a brand-new start-up plant, so we need to think of the plant in Hungary as just a start-up plant, and with the plant in Belgium, we are working diligently to get to 24/7 operations just like the plant in Hungary.

So I would say, in general, we're right on track with what we expected from those plants, but they are not accretive to our overall business yet, and that's what we said we were getting when we bought those plants. And we're excited about them. We're really pleased.

From a category perspective, I think you're maybe talking specifically about North America...

George Leon Staphos
BofA Securities, Research Division

That's right.

Ronald J. Lewis
CEO & Director

We -- yes, so I'll start by saying this. The can is winning. It continues to win. It's been winning for years. We have shown volume growth across our business, all of last year, in fact, accelerating last year. So we've now completed our sixth quarter of growth. We expect that to continue for the foreseeable future.

And we had a really strong quarter, 4%-plus volume growth on the back of a comparable 4%-plus volume growth in Q2 of last year and a plus 4% volume growth in all of 2025. That's above what we expect from our long-term outlook.

As far as categories, as I said, the can is winning, and we're focused on supporting all of our customers. I would say the other thing about the dynamics of the beverage industry is the can is used to deliver value to consumers, be it in a single format or really in the multipack format. And we have a great customer portfolio. So we're seeing growth even in a really tight capacity environment for us.

As it relates to individual categories, I couldn't say more than what you see in all of the data that you all analyze and quite frankly, share with us. So beer along with soft drinks and energy is delivering growth ultimately for our business, and for the can industry overall.

Operator

Our next question comes from the line of Gabe Hajde with Wells Fargo.

Gabrial Shane Hajde
Wells Fargo Securities, LLC, Research Division

I wanted to maybe ask -- a piggyback, I guess, on George's question a little bit differently. I think there kind of had been some commentary about alcohol as part of the portfolio being about 40% and maybe over time getting closer to 30%. I'm just curious if under kind of your purview and as you look at things, is that still sort of part of the initiatives across the organization. And again, I appreciate that you're servicing customers and making sure that they have everything they need. Is it maybe just natural attenuation if you're kind of projecting beer to be down low single digits in volume metric terms and then the can continue to win. Just help us think about that maybe over the medium term?

Ronald J. Lewis
CEO & Director

As I said, the can is winning. And as far as the category goes, beer is an important category for us, and it's an important category for the can industry, but it's certainly not our only category nor is it our biggest category. And as you can see from our overall volumes relative to other substrates, the can does continue to win, and that's because of other categories continuing to pick up the pace.

So I would just say, number one, consumers want convenience. That means they're going to drink more from packaged beverages. And when they drink more from a packaged beverage, more often than not, they're continuing and will continue to accelerate the pace of buying a can versus another substrate. And we have the privilege and right to win in that environment. So I think regardless of what is being sold in that can, the can will continue to grow. And we're going to help all of our customers to win in that regard.

Gabrial Shane Hajde
Wells Fargo Securities, LLC, Research Division

Appreciate that. Also I think last call, you mentioned being kind of 90% sold out in North America -- or I should say, contracted, excuse me, in North America and then 50%, I think, through the end of the decade. Are there any updates there? And then specific maybe to Europe, I think you mentioned picking up some business over there, just anything material that we should be mindful of maybe going into '27?

Ronald J. Lewis
CEO & Director

So first of all, on our outlook for contracted volumes, we don't intend to provide a quarterly guidance on these calls as to what our outlook is on a -- we provided that anecdotally, I would say there's been no material change. To that, we are more than 50% sold out through the end of the decade. We said that before, and that's still true.

And the reason we shared that before is just to give you confidence that demand is out there from our customers, but it's more of an anecdotal comment. We don't plan to update that on a quarterly basis.

As it relates to Europe, Europe is the land of opportunity. Can penetration rates are lower than anywhere else in the regions we serve. Sustainability tailwinds are stronger in Europe than they are in any other region we serve, and there is more investment in can filling capacity than anywhere else in the regions we serve. So Europe is an absolute land of opportunity. And you can see it in our as well as our primary competitors' volume growth this quarter and over the last several years.

Now as it relates to customers and contracts, et cetera, I would just say overall volume growth, nothing specific to any given customer or business we won that I would call out.

Again, we will -- given the acquisition we made, finish above the high end of our 3% to 5% growth outlook for the year in Europe or in our EMEA business. So we're really pleased with it, and we're going to continue to serve our customers with distinction there because they are really growing with the can.

Operator

Our next question comes from the line of Edlain Rodriguez with Mizuho.

Edlain S. Rodriguez
Mizuho Securities USA LLC, Research Division

A quick question on the volumes by segment. Like how do you think your regional volumes did compare with the market, essentially like did they lag or outpace the respective markets?

Ronald J. Lewis
CEO & Director

So let me just review where we said we would be for the full year, and then I'll tell you what I feel from the quarter perspective. For the full year, we said we will be in this 2% to 3% long-term outlook, we -- maybe towards the high end of that range. And we said North America would be on the low end of our 1% to 3% range, we said EMEA would be above our 3% to 5% range and South America would be on the low end of our 4% to 6% range.

In the quarter, I would say we grew low single digits, right in line with what we expected in North America, some were higher, some were lower. In EMEA, we grew right in line with the mid-single digits as we called out. I think we were right in line with market probably in both of those geographies. And clearly, the standout with South America, where we grew mid-teens and the market was more flattish to up slightly. So that's probably the puts and takes by region on our volumes in the quarter.

Edlain S. Rodriguez
Mizuho Securities USA LLC, Research Division

No. That's fair. And also, can you talk about capital allocation? And should we expect about $200 million of share repurchase in each of the remaining quarters? Or will there be more nuance to that?

Daniel J. Rabbitt
Senior VP & CFO

This is Dan. I'm going to take that question. From a capital allocation perspective, specific to share repurchases, we're still standing by the guidance that we've been holding out all year. And that is that we would repurchase around $600 million worth of shares and deliver close to another $200 million in dividend for a total of $800 million of return back to the shareholders. So that still holds true.

Through the first half of the year, we've done about $100 million of those share repurchases. And that was also what was contemplated as well, because of the back half nature of our free cash flow, and it comes in the back half of the year, and we really didn't want to take on the risk on the balance sheet by leveraging up to make those share repurchases.

Operator

Our next question comes from the line of Hillary Cacanando with Deutsche Bank.

Hillary Cacanando
Deutsche Bank AG, Research Division

I know can is winning, and it seems like there's still substrate shift going on in Europe. But in North America, would you say the volume growth is still coming from substrate shift? Or is it more from new product launches? And if so, are there any new products or category coming out over the next year that you're really excited about?

Ronald J. Lewis
CEO & Director

What I can say is looking at the data that we get and that I'm sure you all pour over, the overall beverage market in North America is relatively flat while the can grows over the last year in that 2% to 3% range, while other substrates declined similarly 2% to 3%, something like this.

So overall, the can just continues to take share in the normal course of business. As far as our -- what we see from the market, our customers, certainly, when it comes to launching new products and categories, more often than not, it is in a can. And the great news is when our customers choose the can, they lean into it with the ability to deliver value to consumers through different sizes, different multipack capacities, and that allows them to meet the kind of the customers -- their customers and their consumers where they are. So that innovation with respect to sizes in pack size configuration really helps the can to win and our customers to win with the can.

Hillary Cacanando
Deutsche Bank AG, Research Division

And then just a quick, I guess, a modeling question. I know Millersburg start-up cost is $35 million in 2026. Are you expecting anything in 2027? Or we're pretty much done in terms of spending in 2026?

Daniel J. Rabbitt
Senior VP & CFO

Yes. This is Dan. I'll take that. So really, the first part of your statement is really what we expect on the startup cost. The $5 million that came in, in this quarter and then really upwards of $30 million more in the second half of this year. And so it's very much on plan, and the plan was really for it to be a contributor next year. And so we're making cans there, and we're -- well, not on a continuous basis, of course, but that's really what the ramp up is all about getting it up to speed, so it can be productive for next year.

Hillary Cacanando
Deutsche Bank AG, Research Division

So no start-up costs building into 2027?

Daniel J. Rabbitt
Senior VP & CFO

That's correct.

Operator

Our next question comes from the line of Mike Roxland with Truist.

Michael Andrew Roxland
Truist Securities, Inc., Research Division

Congrats on all the progress. My first question is in terms of -- just trying to get an early read on how volumes are shaping up for '27, realizing that you're more than 90% sold. Obviously, you opened Millersburg last month, and you expect a full ramp in '27. When should that occur, like early '27, mid-'27? And similar question for Benepack, when do you expect to have those assets fully operating next year?

Ronald J. Lewis
CEO & Director

Mike, thanks for the question, and thanks for the congratulatory comments. It gives me a chance to accept them on behalf of our 16,000 Ball employees who are working very hard to support our customers and deliver really great value for our shareholders and all of their colleagues. So on behalf of those 16,000 colleagues in mind, thank you, and I accept your congratulatory comments.

As for 2027, we aren't concerning ourselves too much with guidance on 2027 on this call. What I will say, and I reiterate is we grew 4-plus percent in Q2 on the back of 4-plus percent growth last year for the full year and 4% in the second quarter last year. So this is our sixth consecutive quarter of growth, and that's just a clear evidence and sign that the can is winning and will continue to win on a go-forward basis.

For the long term, we are confident in our 2% to 3% volume growth outlook. So that's what you should continue to model for us. And quite frankly, this year, we will again probably finish above that, certainly above the 2% to 3%, so slightly above that. And next year, we expect to be in that range.

As it relates to Millersburg, again, I said we started making commercial cans there last month. We expect to deliver pretty much the full value of that plant, let's say, certainly beginning sometime in the first quarter, I would say. We may not have it ramped completely on January 1, but we should expect to have pretty much the full value of that plant in 2027.

As it relates to Benepack, similarly, this year is about integrating those assets. They should be fully ramped and operational, running as a part of our network and being accretive, just as they normally would do with any other plant start-up. So we have some big opportunities to deliver good value to ourselves and to our customers in 2027 as a result of those investments.

Michael Andrew Roxland
Truist Securities, Inc., Research Division

Very clear. And just one quick follow-up on the volumes. Where do volumes stand currently for July thus far by region? And any early read or your order books look like for August thus far, realizing earlier in the month?

Ronald J. Lewis
CEO & Director

So I would say we're right on track in July results from our quarter and full year. It's still very much summer in the Northern Hemisphere and extremely warm and a lot of activity. So really we have great confidence in our Q3 plan based on our July and month-to-date August numbers. Nothing special to call out there other than we're right on our plan.

Operator

Our next question comes from the line of Josh Spector with UBS.

Anojja Aditi Shah
UBS Investment Bank, Research Division

It's Anojja Shah, sitting in for Josh. I know it's a pretty small -- it's a smaller category, but I wanted to talk about the other category, and it seems like your aerosol business did pretty well in 2Q. Can you just talk about what went right? And is this kind of a new run rate for you in aerosols? And then separately, one of your aerosol competitors just announced an expansion in Pennsylvania. Can you talk about the competitive environment you're seeing there right now?

Ronald J. Lewis
CEO & Director

We're really pleased to get to talk about our -- what we call our personal and home care business. I would just say consistently, and this quarter is no exception, our personal and home care business is accretive to our overall volume growth and our operating earnings growth. And while it's relatively small, we really like our PHC business, and we -- it gives me the chance to thank all the people, all of my colleagues that work in our personal and home care business. So we like it. We like it going forward. And we think that investment in this business by us or competitors is good because there's continued demand, just really positive, and we see good outlook for it.

Daniel J. Rabbitt
Senior VP & CFO

Yes, this is Dan. I would overlay just a couple of things. One is, obviously, this business at times grows even higher rates than our beverage can business does. So in this quarter, it really was no exception to that. So high single digits for the quarter.

But I would say a lot of it has to do with the industry dynamics. And for North America, it really consists of two markets. It consists of the U.S. and Mexico. We happen to be located in Mexico. And so when a competitor really comes up in Pennsylvania or in the U.S., it's almost like it's not necessarily relevant in some regards because our competition really are those who are down in Mexico.

Anojja Aditi Shah
UBS Investment Bank, Research Division

And then there was a pretty big change to Section 232 in July that I think includes some incentives for domestic production of aluminum. Do you expect any near- to medium-term impact? I know you have an immediate pass-through on aluminum, but maybe this could mean some relief for end consumers that could have a potentially positive impact on your volumes here in North America?

Ronald J. Lewis
CEO & Director

The short answer is no. We aren't seeing any impacts. And also, no, we don't foresee any big change relative to tariff and trade policies in the U.S. or globally for that matter. We just can't forecast or predict them. And we understand that what was offered, but -- in terms of the Section 232 changes, but they're just not material enough to really move the needle. It does give me a chance to say that we and the industry are concerned and keep an eye on aluminum price, because the cost of aluminum, while it is a pass-through model does ultimately affect end consumer demand and our customers.

So the can continues to win and grow even in that elevated cost environment for aluminum, but we would very much like to see aluminum prices lower. And I think the investments that are happening in the industry, be it smelting or rolling, we encourage and we're excited about those investments as they come online, be it in the U.S. or anywhere else in the world.

Operator

Our next question comes from the line of Matt Roberts with Raymond James.

Matthew Burke Roberts
Raymond James & Associates, Inc., Research Division

Really quick, Brandon, on your volumes? Are you saying above 2% to 3% or the high end? Just a clarification on the comments.

Ronald J. Lewis
CEO & Director

Yes, Matt. So I said on the -- for this year, the 2% to 3%, we should be at or above. It's hard for us to call it. But I would say right now, as we sit at the half year, we're right in the middle of that range. So we expect to see some acceleration of volume growth in the back half of this year. And we'll be, I would just say, call it 3% is probably good enough for right now. That's probably the best I could do it in prognosticating how we'll finish the year.

Matthew Burke Roberts
Raymond James & Associates, Inc., Research Division

And then really just one other from me. Thinking about incremental capacity in Millersburg in '27, recognizing, certainly, the network relief that capacity creates from an operational and cost perspective. But is there any change in product mix from that facility? Any difference in standard and specialty shipped in '27? Or is Millersburg in line with the system average? Like, would the operating leverage impact really all be from cost or any mix?

Ronald J. Lewis
CEO & Director

So again, we're really happy with our investment in the Pacific Northwest. It's a long way to ship cans there. So we're excited to have capacity back in that region. We started producing last month. It was an important milestone for us.

It's also important to know this is a one-line plant. It will be fully ramped up in 2027, but it is still only a one-line plant. And it's only making standard-sized cans. So you won't see a mix shift impact from that plant. So it will be more or less in line.

I will say there is a continued move from standard cans to more what we call sleek cans, et cetera. So there -- you will continue to see mix shift, but it won't be as a result of this plant coming back up -- coming online in 2027 at a full ramp-up.

Operator

Our next question is a follow-up from Gabe Hajde with Wells Fargo.

Gabrial Shane Hajde
Wells Fargo Securities, LLC, Research Division

Ron, I guess, as you think about North America or [indiscernible] a 1% to 3% growing geography for you all. I know you're adding Millersburg and that's going to give you some relief in the Pacific Northwest. But I think I've heard you say at least three times like things are pretty tight and it's not optimal for the system, generally speaking.

Again, appreciating you know the seasonality, you guys build inventories in the spring, et cetera, et cetera. But I want to understand, as you look across the system, are there other areas for you to add a little bit, I'll call it creep capacity, whether it's decorators in the back end or additional lines or anything that you'd be adding in North America would require new four walls and brick-and-mortar?

Ronald J. Lewis
CEO & Director

Thanks, Gabe. I appreciate that additional question because it does give me a chance to talk a little bit about those opportunities. One, I would say, let's start with the industry itself. I would characterize the can-making industry in North America as healthily tight. There's been many quarters of volume growth. It is the reason why we're building and bringing this new plant up and online. And I think we will continue to be disciplined in our investments. Backed by -- any investment we make will be backed by long-term offtake agreements with our most strategic customers where we have built relationships and earned their trust over decades.

As it relates to where else can we debottleneck? Of course, we can always pursue debottlenecking. We have a number of projects that we've been working on this year in a number of our plants that we don't go into great detail on because it's the normal course of business. But yes, the answer is we expect to deliver efficiency and productivity in our network each and every year. So hopefully, that answers your question, Gabe.

All right. I think we have time for one more question.

Operator

Our final question comes from the line of Phil Ng with Jefferies.

John Robert Dunigan
Jefferies LLC, Research Division

This is John on for Phil. I just wanted to touch on a couple of points. First, we've had a couple of capacity announcements in India. I know you guys have some capacity there. Just wondering what you're seeing from competition market growth from that standpoint?

And then jumping over to South America. Could you quantify in any way the amount of World Cup volumes that came through in the quarter? I mean I know it's not necessarily easy, but just thinking for a modeling purpose how much of a drag that could be next year?

And then I'll follow up with one more question. Appreciate it.

Ronald J. Lewis
CEO & Director

So firstly, as it relates to India, we talk about Europe and EMEA as a land of opportunity and India is accretive to that comment. It is a land of opportunity in a land of opportunity. Can growth is more than teens in that region and has been for a while. We, as you said, have announced capacity expansion in one of our two plants on top of a capacity expansion we've already done. And as you see lots of announcements for capacity growth.

So it's an exciting part of the world backed by governmental changes that we believe will be strongly accretive to can growth in the long term. So we're excited about India and we're excited to have a business there that's been thriving for many, many years.

As it relates to World Cup in South America, again, we had open capacity because it is the winter lower season there. We have an unrivaled customer portfolio and their success promoting World Cup was our success. It's hard to put a number on what would be the impact of that. What I will say is we plan to grow at the low end, maybe the middle of our 4% to 6% growth in the year, and that's right where we expect to deliver in the long term. So rather than put a number on it, I will just say it should not be meaningful over a year-to-year basis. We still intend to grow 4% to 6% next year on top of a really strong 4% to 6% growth this year.

John Robert Dunigan

Jefferies LLC, Research Division

And then one of your larger North American beer customers has made some investments in their metal can packaging operations, to expand some of their growing brands. I mean, they're relatively small, but I'm just wondering if this is more of a factor of how tight you guys are currently running in North America? Or maybe it's a little bit of a focus growing in some of the other faster-growing categories than necessarily mass beer? But any thoughts you can provide around that and maybe your mix in North America and how you're thinking about it going forward would be very helpful.

Ronald J. Lewis
CEO & Director

Honestly, I don't think we have enough information to comment on what our customers are doing relative to building or buying capacity. I would just say we're -- we support all of our customers, obviously, and we are tight as is the industry, and that's a good thing for this industry. So I don't really want to comment on other people's capacity and what they're doing, if you don't mind.

I think that was our last question. I just will finish by saying thanks to everybody for your interest in us, for your -- investors on this line for your investment in us, for the -- for all of you analysts for continuing to help us tell our story, your partnership in doing that, we appreciate that very much. And we look forward to talking with all of you a lot more about our business and sharing our story, because we are really excited about this.

First half of the year, we delivered exactly as we expected to do. It's a reflection of how the can continues to win and the long-term nature and the resilient nature of this business and this industry that we have the privilege to participate in and be a leading market participant and run. So thank you very much on behalf of all of my colleagues at all for your interest in us, and we look forward to talking with you all again very soon.

Operator
Ladies and gentlemen, this does conclude today's teleconference. You may disconnect your lines at this time. Thank you for your participation, and have a wonderful day.

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