

Novelis Reports First Quarter Results For New Fiscal Year

ATLANTA, Aug. 10, 2007 - Novelis Inc. has reported financial results for the first quarter of its new fiscal year ending March 31, 2008. The company changed its fiscal year end from December 31 to March 31 following its acquisition by Hindalco Industries Ltd. on May 15, 2007.

For the three months ending June 30, 2007, total rolled products shipments increased to 755 kilotonnes (kt) compared with 753 kt in the prior year period. Novelis incurred a net loss before tax of US\$114 million on sales of \$2,828 million, compared with the corresponding period of 2006 when it incurred a net loss before tax of \$10 million on sales of \$2,564 million.

The first-quarter loss (before tax) this year includes a number of non-recurring expenses related to the acquisition by Hindalco.

These include:

- \$45 million of stock compensation expense triggered by the sale of Novelis;
- \$32 million for sale transaction costs;
- \$29 million of expense related to stepping up inventory to fair value at the date of acquisition; and
- \$9 million write-off of in-process research and development costs which were required to be expensed at the date of acquisition

For the full release download the pdf below.
