As filed with the Securities and Exchange Commission on September 11, 2009

Registration No. 333-

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form S-4

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

NOVELIS INC.*

(Exact name of registrant as specified in its charter)

Canada	**3350**	**98-0442987**
(State or other jurisdiction of incorporation or organization)	*(Primary standard industrial classification code number)*	*(I.R.S. Employer Identification Number)*

3399 Peachtree Road, NE, Suite 1500
Atlanta, Georgia 30326
(404) 814-4200
(Address, including zip code, and telephone number, including area code, of Registrants' principal executive offices)

Brock Shealy
Senior Vice President and General Counsel,
Compliance Officer and Global IT Leader
Novelis Inc.
3399 Peachtree Road, NE, Suite 1500
Atlanta, Georgia 30326
(404) 814-4200
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

John J. Kelley III
Keith M. Townsend
King & Spalding LLP
1180 Peachtree Street
Atlanta, Georgia 30309
(404) 572-4600

* The companies listed on the next page are also included in this Form S-4 Registration Statement as additional Registrants.

Approximate date of commencement of proposed sale to public: As soon as possible after this Registration Statement is declared effective.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o	Accelerated filer o	Non-accelerated filer þ (Do not check if a smaller reporting company)	Smaller reporting company o

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer) o
Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer) o

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price per Note	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
11 1/2% Senior Notes due 2015	$185,000,000	100%	$185,000,000(1)	$10,323
Guarantees of 11 1/2% Senior Notes due 2015	—	—	—	(2)

(1) The registration fee has been calculated pursuant to Rule 457(f)(2) under the Securities Act of 1933, as amended. The proposed maximum offering price is estimated solely for purpose of calculating the registration fee.

(2) Pursuant to Rule 457(n) of the Securities Act of 1933, no registration fee is required for the guarantees.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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ADDITIONAL REGISTRANTS

Exact Name of Additional Registrants*	Jurisdiction of Formation	IRS Employer Identification No.
Novelis Corporation	Texas	41-2098321
Eurofoil Inc. (USA)	New York	13-3783544
Novelis PAE Corporation	Delaware	36-4266108
Aluminum Upstream Holdings LLC	Delaware	20-5137700
Novelis Brand LLC	Delaware	26-0442201
Novelis South America Holdings LLC	Delaware	20-5137684
Novelis Cast House Technology Ltd.	Canada	Not applicable
Novelis No. 1 Limited Partnership	Canada	Not applicable
4260848 Canada Inc.	Canada	Not applicable
4260856 Canada Inc.	Canada	Not applicable
Novelis Europe Holdings Ltd.	United Kingdom	Not applicable
Novelis UK Ltd.	United Kingdom	Not applicable
Novelis Services Limited	United Kingdom	Not applicable
Novelis do Brasil Ltda.	Brazil	Not applicable
Novelis AG	Switzerland	Not applicable
Novelis Switzerland S.A.	Switzerland	Not applicable
Novelis Technology AG	Switzerland	Not applicable
Novelis Aluminium Holding Company	Ireland	Not applicable
Novelis Deutschland GmbH	Germany	Not applicable
Novelis Luxembourg S.A.	Luxembourg	Not applicable
Novelis PAE S.A.S.	France	Not applicable
Novelis Madeira, Unipessoal, Lda	Portugal	Not applicable

* The address for each of the additional Registrants is c/o Novelis Inc., 3399 Peachtree Rd., N.E., Suite 1500, Atlanta, Georgia 30326. The primary standard industrial classification number for each of the additional Registrants is 3350.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, dated September 11, 2009

PROSPECTUS

Novelis Inc.

Offer to Exchange
Up to $185,000,000 aggregate principal amount
of our 11 1/2% Senior Notes due 2015
(which we refer to as the "new notes")
and the guarantees thereof which have been registered
under the Securities Act of 1933, as amended,
for $185,000,000 of our outstanding
11 1/2% Senior Notes due 2015
(which we refer to as the "old notes"
and, together with the new notes, as the "notes")
and the guarantees thereof

The New Notes:

The terms of the new notes are substantially identical to the old notes, except that some of the transfer restrictions, registration rights and additional interest provisions relating to the old notes will not apply to the new notes.

- *Maturity:* The new notes will mature on February 15, 2015.
- *Interest:* The new notes will bear interest at the rate of 11.5% per annum. Interest on the new notes will be payable semi-annually in arrears on February 15 and August 15 of each year, commencing February 15, 2010.
- *Guarantees:* The new notes will be guaranteed, jointly and severally, on a senior unsecured basis, by all of our existing and future Canadian and U.S. restricted subsidiaries, certain of our existing foreign restricted subsidiaries and our other restricted subsidiaries that guarantee debt in the future under any credit facilities, provided that the borrower of such debt is our company or a Canadian or a U.S. subsidiary.
- *Ranking:* The new notes and the guarantees will effectively rank junior to our secured debt and the secured debt of the guarantors (including debt under our existing senior secured credit facilities described herein), to the extent of the value of the assets securing that debt.
- *Optional Redemption:* Prior to August 15, 2012, we may redeem all or a portion of the new notes by paying a "make-whole" premium. Commencing August 15, 2012, we may redeem all or a portion of the new notes at specified redemption prices. We also may redeem all of the new notes, at any time, in the event of certain changes in Canadian withholding taxes. In addition, prior to August 15, 2012, we may redeem up to 35% of the new notes from the proceeds of certain equity offerings at a specified redemption price. The redemption prices are set forth under "Description of the Notes — Optional Redemption."
- The new notes will not be listed on any securities exchange or automated quotation system.

The Exchange Offer:

- The exchange offer will expire at 5:00 p.m., New York City time, on , 2009, (which is the 20th business day following the date of this prospectus), unless we extend the exchange offer in our sole and absolute discretion.
- The exchange offer is not subject to any conditions other than that it not violate applicable law or any applicable interpretation of the staff of the Securities and Exchange Commission, or the SEC.
- Subject to the satisfaction or waiver of specified conditions, we will exchange the new notes for all old notes that are validly tendered and not withdrawn prior to the expiration of the exchange offer.
- Tenders of old notes may be withdrawn at any time before the expiration of the exchange offer.
- We will not receive any proceeds from the exchange offer.

The exchange offer involves risks. See "Risk Factors" beginning on page 16.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2009.

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Each broker-dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for old notes where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, for a period of 180 days after the consummation of the exchange offer, we will make this prospectus available to any broker-dealer for use in connection with any such resale. See "Plan of Distribution."

This prospectus incorporates important business and financial information about the Company that is not included or delivered with this prospectus. We will provide without charge, upon written or oral request, to each person, including any beneficial owner, to whom this prospectus is delivered, a copy of all documents referred to below which have been or may be incorporated by reference into this prospectus excluding exhibits to those documents unless they are specifically incorporated by reference into those documents.

In order to obtain timely delivery, you must request the information no later than , 2009, which is five business days before the expiration date of the exchange offer. Any such request should be directed to us at:

Corporate Secretary
Novelis Inc.
3399 Peachtree Road, NE
Suite 1500
Atlanta, Georgia 30326
(404) 814-4200

ENFORCEABILITY OF CERTAIN CIVIL LIABILITIES

We are incorporated in Canada under the Canada Business Corporations Act, or the CBCA. Our registered office, as well as a substantial portion of our assets, is located outside the United States. Also, some of our directors, controlling persons and officers and some of the experts named in this prospectus reside in Canada or other jurisdictions outside the United States and all or a substantial portion of their assets are located outside the United States. We have agreed in the indenture relating to the notes to accept service of process in New York City, by an agent designated for such purpose, with respect to any suit, action or proceeding relating to the indenture or the notes that is brought in any federal or state court located in New York City, and to submit to the jurisdiction of such courts in connection with such suits, actions or proceedings. However, it may be difficult for holders of notes to effect service of process in the United States on our directors, controlling persons, officers and the experts named in this prospectus who are not residents of the United States or to enforce against them in the United States judgments of courts of the United States predicated upon the civil liability provisions of the United States federal securities laws. In addition, there is doubt as to the enforceability in Canada against us or against our directors, controlling persons, officers and experts named in this prospectus who are not residents of the United States, in original actions or in actions for enforcement of judgments of United States courts, of liabilities predicated solely upon United States federal securities laws.

INDUSTRY AND MARKET DATA

The data included in this prospectus regarding markets and the industry in which we operate, including the size of certain markets and our position and the position of our competitors within these markets, are based on reports of government agencies, independent industry sources such as Commodity Research Unit International Limited (CRU), an independent business analysis and consultancy group focused on the mining, metals, power, cables, fertilizer and chemical sectors, and our own estimates relying on our management's knowledge and experience in the markets in which we operate. Our management's knowledge and experience is based on information obtained from our customers, distributors, suppliers, trade and business organizations and other contacts in the markets in which we operate. We believe these estimates to be accurate as of the date of this prospectus. However, this information may prove to be inaccurate because of the method by which we obtained some of the data for our estimates or because this information cannot always be verified with complete certainty due to the limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties. As a result, you should be aware that market, ranking and other industry data included in this prospectus, and our estimates and beliefs based on that data, may not be reliable. We cannot guarantee the accuracy or completeness of any such information contained in this prospectus.

TRADEMARKS

We have proprietary rights to a number of trademarks important to our business, including Novelis Fusion™. All other trademarks or service marks referred to in this prospectus are the property of their respective owners and are not our property.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS AND MARKET DATA

This prospectus contains forward-looking statements that are based on current expectations, estimates, forecasts and projections about us and the industry in which we operate and beliefs and assumptions made by our management. Such statements include, in particular, statements about our plans, strategies and prospects under the headings "Prospectus Summary," "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." Words such as "expect," "anticipate," "intend," "plan," "believe," "seek" and "estimate" and variations of such words and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict, including those described below. Therefore, actual outcomes and results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. We do not intend, and we disclaim any obligation, to update any forward-looking

statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

Information in this prospectus concerning our markets and products generally includes forward-looking statements, which are based on a variety of assumptions regarding the ways in which these markets and product categories will develop. These assumptions have been derived from information currently available to us and to the third party industry analysts quoted in this prospectus. This information includes, but is not limited to, product shipments and share of production. Actual market results may differ from those predicted. We do not know what impact any of these differences may have on our business, results of operations, financial condition and cash flow.

Factors that could cause actual results or outcomes to differ from the results expressed or implied by forward-looking statements include, among other things:

- the level of our indebtedness and our ability to generate cash;
- changes in the prices and availability of aluminum (or premiums associated with such prices) or other materials and raw materials we use;
- the effect of metal price ceilings in certain of our sales contracts;
- the capacity and effectiveness of our metal hedging activities, including our internal used beverage can ("UBC") and smelter hedges;
- relationships with, and financial and operating conditions of, our customers, suppliers and other stakeholders;
- fluctuations in the supply of, and prices for, energy in the areas in which we maintain production facilities;
- our ability to access financing to fund current operations and for future capital requirements;
- continuing obligations and other relationships resulting from our spin-off from Alcan, Inc.;
- changes in the relative values of various currencies and the effectiveness of our currency hedging activities;
- factors affecting our operations, such as litigation, environmental remediation and clean-up costs, labor relations and negotiations, breakdown of equipment and other events;
- the impact of restructuring efforts we may undertake in the future;
- economic, regulatory and political factors within the countries in which we operate or sell our products, including changes in duties or tariffs;
- competition from other aluminum rolled products producers as well as from substitute materials such as steel, glass, plastic and composite materials;
- changes in general economic conditions, including further deterioration in the global economy;
- our ability to maintain effective internal control over financial reporting and disclosure controls and procedures in the future;
- changes in the fair value of derivative instruments;
- cyclical demand and pricing within the principal markets for our products as well as seasonality in certain of our customers' industries;
- changes in government regulations, particularly those affecting taxes, climate change, environmental, health or safety compliance;
- changes in interest rates that have the effect of increasing the amounts we pay under our senior secured credit facilities and other financing agreements;
- the effect of taxes and changes in tax rates; and
- the other factors discussed under "Risk Factors."

The above list of factors is not exclusive. Some of these and other factors are discussed in more detail under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors."

PROSPECTUS SUMMARY

This summary highlights selected information in this prospectus and may not contain all of the information that is important to you. You should carefully read this entire prospectus, including the information set forth under the heading "Risk Factors" and the financial statements included elsewhere in this prospectus and the related notes thereto, before making an investment decision.

In this prospectus, unless otherwise specified or the context indicates otherwise, the terms "we," "our," "us," "company," "Group," "Novelis" and "Novelis Group" refer to Novelis Inc., a company incorporated in Canada under the CBCA. References herein to "Hindalco" refer to Hindalco Industries Limited. In October 2007, the Rio Tinto Group purchased all the outstanding shares of Alcan, Inc., which was subsequently renamed Rio Tinto Alcan Inc. References herein to "Alcan" refer to Rio Tinto Alcan Inc.

References to "total shipments" refer to shipments to third parties of aluminum rolled products as well as ingot shipments, and references to "aluminum rolled products shipments" or "shipments" do not include ingot shipments. All tonnages are stated in metric tonnes. One metric tonne is equivalent to 2,204.6 pounds. One kilotonne (kt) is 1,000 metric tonnes. One MMBtu is the equivalent of one decatherm, or one million British Thermal Units. The term "aluminum rolled products" is synonymous with the terms "flat rolled products" and "FRP" commonly used by manufacturers and third party analysts in our industry. References to "$," "dollars," "United States dollars," "U.S. dollars" or "U.S. $" refer to the lawful currency of the United States of America.

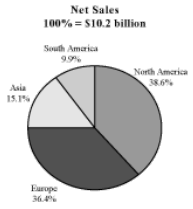
We were acquired by Hindalco through its indirect wholly-owned subsidiary on May 15, 2007. Due to the impact of push down accounting, our consolidated financial statements separate the company's presentation into two distinct periods to indicate the application of two different bases of accounting between the periods presented. We refer to the company prior to the Hindalco acquisition (through May 15, 2007) as the "Predecessor," and we refer to the company after the Hindalco acquisition (beginning on May 16, 2007) as the "Successor." In addition, in June 2007, we changed our fiscal year-end from December 31 to March 31 and filed a Transition Report on Form 10-Q for the three-month period ended March 31, 2007. Accordingly, in this prospectus, references to our "fiscal years" mean a year ended December 31 for 2004 through 2006, and March 31 for 2009. For comparability purposes, references to the fiscal periods ending in 2007 and 2008 refer to the twelve months ended March 31, 2007 (which are derived from our unaudited condensed consolidated financial statements for the three-month period ended March 31, 2007 and the nine-month period ended December 31, 2006) and the twelve-month period ended March 31, 2008 (which are derived by combining the results of operations for the period ended May 15, 2007 of the Predecessor with the period ended March 31, 2008 of the Successor). The combined results of operations are non-GAAP financial measures, do not include any pro forma assumptions or adjustments and should not be used in isolation or substitution of the Predecessor's and the Successor's results. We include a reconciliation of our combined results in "Management's Discussion and Analysis of Financial Condition and Results of Operations."

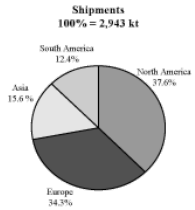
Our Company

We are the world's leading aluminum rolled products producer based on shipment volume in fiscal year 2009, with total shipments of approximately 2,943 kt in fiscal year 2009. We are the only company of our size and scope focused solely on aluminum rolled products markets and capable of local supply of technologically sophisticated aluminum products in all of the regions in which we operate. We are also the global leader in the recycling of used aluminum beverage cans. We had net sales of approximately $10.2 billion for the year ended March 31, 2009 and approximately $2 billion for the three months ended June 30, 2009.

We produce aluminum sheet and light gauge products for end-use markets, including the beverage and food cans, construction and industrial, foil products and transportation markets. As of June 30, 2009, we had operations in 11 countries on four continents: North America, Europe, Asia, and South America, through 31 operating plants, one research facility and several market-focused innovation centers. In addition to aluminum rolling and recycling, our South American businesses include bauxite mining, alumina refining, primary aluminum smelting and power generation facilities that are integrated with our rolling plants in Brazil.

Due in part to the regional nature of supply and demand of aluminum rolled products and in order to best serve our customers, we manage our activities on the basis of geographical areas and are organized under four operating segments: North America, Europe, Asia and South America. The following charts provide the breakdown by operating segment of our net sales and total shipments for fiscal year 2009:





North America

Through 11 aluminum rolled products facilities, including two fully dedicated recycling facilities, North America manufactures aluminum sheet and light gauge products. Important end-use markets for this segment include beverage cans, containers and packaging, automotive and other transportation applications, building products and other industrial applications. The majority of North America's efforts are directed towards the beverage can sheet market. Recycling is important in the manufacturing process, and we have five facilities in North America that re-melt post-consumer aluminum and recycled process material.

Europe

Europe produces value-added sheet and foil products through 13 operating plants, including one dedicated recycling facility. Europe serves a broad range of aluminum rolled product end-use markets including: beverage and food can, construction and industrial, foil and technical products, lithographic, automotive and other. Beverage and food represent the largest end-use market in terms of shipment volume by Europe. Europe also has foil packaging facilities at six locations and, in addition to rolled product plants, has distribution centers in Italy and France together with sales offices in several European countries.

Asia

Asia operates three manufacturing facilities and manufactures a broad range of sheet and light gauge products. End-use markets include beverage and food cans, foil, electronics and construction and industrial products. The beverage can market represents the largest end-use market in terms of volume. Recycling is an important part of our Korean operations, with recycling facilities at both the Ulsan and Yeongju facilities.

South America

South America operates two rolling plants, two primary aluminum smelters and hydro-electric power plants, all of which are located in Brazil. South America manufactures various aluminum rolled products, including can stock, automotive and industrial sheet and light gauge for the beverage and food can, construction and industrial and transportation and packaging end-use markets. More than 80% of our shipments for the past two years were in the beverage and food can market. The primary aluminum operations in South America include a mine, refinery and smelters used by our Brazilian aluminum rolled products operations, with any excess production being sold on the market in the form of aluminum billets. South America generates a portion of its own power requirements.

Our Industry

The aluminum rolled products market represents the global supply of and demand for aluminum sheet, plate and foil produced either from sheet ingot or continuously cast roll-stock in rolling mills operated by independent aluminum rolled products producers and integrated aluminum companies alike.

Aluminum rolled products are semi-finished aluminum products that constitute the raw material for the manufacture of finished goods ranging from automotive body panels to household foil. There are two major types of manufacturing processes for aluminum rolled products differing mainly in the process used to achieve the initial stage of processing:

- *hot mills* — that require sheet ingot, a rectangular slab of aluminum, as starter material; and
- *continuous casting mills* — that can convert molten metal directly into semi-finished sheet.

Both processes require subsequent rolling, which we call cold rolling, and finishing steps such as annealing, coating, leveling or slitting to achieve the desired thicknesses and metal properties. Most customers receive shipments in the form of aluminum coil, a large roll of metal, which can be fed into their fabrication processes.

There are two sources of input material: (1) primary aluminum, such as molten metal, re-melt ingot and sheet ingot; and (2) recycled aluminum, such as recyclable material from fabrication processes, which we refer to as recycled process material, UBCs and other post-consumer aluminum.

Primary aluminum can generally be purchased at prices set on the London Metal Exchange ("LME"), plus a premium that varies by geographic region of delivery, form (ingot or molten metal) and purity.

Recycled aluminum is also an important source of input material. Aluminum is infinitely recyclable and recycling it requires only approximately 5% of the energy needed to produce primary aluminum. As a result, in regions where aluminum is widely used, manufacturers and customers are active in setting up collection processes in which UBCs and other recyclable aluminum are collected for re-melting at purpose-built plants. Manufacturers may also enter into agreements with customers who return recycled process material and pay to have it re-melted and rolled into the same product again.

The market for aluminum rolled products tends to be less subject to demand cyclicality than the market for primary aluminum. A significant portion of total aluminum rolled products production is used in consumer staples, which have historically experienced relatively stable demand characteristics. In addition, most aluminum rolled products are priced in two components: (1) a pass-through aluminum price component based on the LME quotation and local market premia, plus (2) a "margin over metal" or conversion charge based on the cost to roll the product. As a result of this pricing formula most of the raw material price risk is absorbed by the customer, reducing the volatility of the producers' profitability and cash flows. Aluminum rolled products companies also use recycled aluminum for a portion of their raw materials, which provides sourcing flexibility for, and further reduces the volatility of, input material. These factors combine to create an industry that has lower cyclicality than the primary aluminum industry.

There has been a long-term industry trend towards lighter gauge (thinner) rolled products, which we refer to as "downgauging," where customers request products with similar properties using less metal in order to reduce costs and weight. For example, aluminum rolled products producers and can fabricators have continuously developed thinner walled cans with similar strength as previous generation containers, resulting in a lower cost per unit. As a result of this trend, aluminum tonnage across the spectrum of aluminum rolled products, and particularly for the beverage and food cans end-use market, has declined on a per unit basis, but actual rolling machine hours per unit have increased. Because the industry has historically tracked growth based on aluminum tonnage shipped, we believe the downgauging trend may contribute to an understatement of the actual growth attributable to rolling in some end-use markets.

The aluminum rolled products industry is characterized by economies of scale, significant capital investments required to achieve and maintain technological capabilities and demanding customer qualification

standards. The service and efficiency demands of large customers have encouraged consolidation among suppliers of aluminum rolled products.

While our customers tend to be increasingly global, many aluminum rolled products tend to be produced and sold on a regional basis. The regional nature of the markets is influenced in part by the fact that not all mills are equipped to produce all types of aluminum rolled products. For instance, only a few mills in North America, Europe and Asia and only one mill in South America produce beverage can body and end stock. In addition, individual aluminum rolling mills generally supply a limited range of products for end-use markets and seek to maximize profits by producing high volumes of the highest margin mix per mill hour given available capacity and equipment capabilities.

Certain multi-purpose, common alloy and plate rolled products are imported into Europe and North America from producers in emerging markets, such as Brazil, South Africa, Russia and China. However, at this time we believe that most of these producers are generally unable to produce flat rolled products that meet the quality requirements, lead times and specifications of customers with more demanding applications. In addition, high freight costs, import duties, inability to take back recycled aluminum, lack of technical service capabilities and long lead-times mean that many developing market exporters are viewed as second-tier suppliers. Therefore, many of our customers in the Americas, Europe and Asia do not look to suppliers in these emerging markets for a significant portion of their requirements.

Aluminum rolled products companies produce and sell a wide range of aluminum rolled products, which can be grouped into four end-use markets based upon similarities in end-use markets: (1) beverage and food cans, (2) construction and industrial, (3) foil products and (4) transportation.

Beverage and Food Cans

Beverage cans are the single largest aluminum rolled products application, accounting for approximately 23% of total worldwide shipments in the calendar year ended December 31, 2008, according to CRU. The beverage can end-use market is technically demanding to supply and pricing is competitive. The recyclability of aluminum cans enables them to be used, collected, melted and returned to the original product form many times, unlike steel, paper or polyethylene terephthalate plastic (“PET plastic”), which deteriorate with every iteration of recycling.

Construction and Industrial

Construction is the largest application within this end-use market. Aluminum rolled products developed for the construction industry are often decorative and non-flammable, offer insulating properties, are durable and corrosion resistant and have a high strength-to-weight ratio. Aluminum siding, gutters and downspouts comprise a significant amount of construction volume. Other applications include doors, windows, awnings, canopies, facades, roofing and ceilings. Industrial applications include electronics and communications equipment, process and electrical machinery and lighting fixtures. Uses of aluminum rolled products in consumer durables include microwaves, coffee makers, flat screen televisions, air conditioners, pleasure boats and cooking utensils.

Foil Products

Aluminum, because of its relatively light weight, recyclability and formability, has a wide variety of uses in packaging. Converter foil is very thin aluminum foil, plain or printed, that is typically laminated to plastic or paper to form an internal seal for a variety of packaging applications, including juice boxes, pharmaceuticals, food pouches, cigarette packaging and lid stock. Household foil includes home and institutional aluminum foil wrap sold as a branded or generic product. Container foil is used to produce semi-rigid containers such as pie plates and take-out food trays.

Transportation

Heat exchangers, such as radiators and air conditioners, are an important application for aluminum rolled products in the truck and automobile categories of the transportation end-use market. Original equipment manufacturers also use aluminum sheet with specially treated surfaces and other specific properties for interior and exterior applications. Alloys are being used in transportation tanks and rigid containers that allow for safer and more economical transportation of hazardous and corrosive materials.

There has been recent growth in certain geographic markets in the use of aluminum rolled products in automotive body panel applications, including hoods, deck lids, fenders and lift gates. We believe the recent growth in automotive body panel applications is due in part to the lighter weight, better fuel economy and improved emissions performance associated with these applications.

Aluminum is also used in the construction of ships' hulls and superstructures and passenger rail cars because of its strength, light weight, formability and corrosion resistance.

Our Strengths

We believe that the following key strengths enable us to compete effectively in the aluminum rolled products market:

Leading Market Positions

We are the world's leader in aluminum rolling, producing an estimated 18% of the world's flat-rolled aluminum products in 2009. Moreover, we are the No. 1 rolled products producer in Europe and South America and the No. 2 producer in both North America and Asia based on shipments. In terms of end-use markets, we believe that we are the largest global producer of aluminum rolled products for the beverage can market with a 40% market share based on shipments, and we are the world's leader in the recycling of UBCs, recycling around 39 billion UBCs per year. We also believe that we are the world's leader in aluminum automotive sheet based on shipments.

International Presence and Scale

With 31 manufacturing facilities located in 11 countries on four continents as of June 30, 2009, we have a broad geographical presence that we believe allows us to better serve our increasingly global customer base as well as diversify our sources of cash flow and offset risk across the different regions. Our size allows us to service a wide variety of localized and global customer needs, leverage our selling, administrative, research and development and other general expenses to improve margins, establish new uses for aluminum rolled products and access the end-use markets for these products.

High-end Product Portfolio Mix

Over 50% of our sales are to customers in the beverage can market. We believe the beverage can market is a high value market and more stable than others as it is less vulnerable to economic cycles. In the beverage can market, we go beyond simply supplying metal: Novelis is a technical solution provider. For example, our Global Can Technology Team offers technological expertise and facilities, as well as technical backup and support for our customers' own innovation activities. We provide technological services and work together with our lithographic, electronic and automotive customers, among others, to develop solutions to meet their requirements through our customer solution centers in North America and Asia as well as other market-focused innovation centers around the world.

Innovation Leader with Proprietary Technologies

We endeavor to be at the forefront of developing next generation technologies in the aluminum rolled products industry and believe that we are the world's leader in continuous casting technology, as owner of technology relating to the two main continuous casting processes. We have state-of-the-art research facilities

around the world with more than 200 employees dedicated to research and development and customer technical support. Our technological leadership has led to the design of products to address various end-use requirements in all regions of the world. An important innovation is our Novelis Fusion™ technology. Launched in 2006, Novelis Fusion™ is a breakthrough process that simultaneously casts multiple alloy layers into a single aluminum rolling ingot. Novelis is the first company to achieve commercial production of such multi-alloy ingots. The resulting product allows alloy combinations never before possible. For example, a customer can now have aluminum sheet with both excellent formability and high strength, which provides better shaping performance and the potential to downgauge.

Long Term Relationships with Market Leaders

We maintain strong, long-standing supply relationships with many of our customers, which include leading global players in our key end markets. Our major customers include: Agfa-Gevaert N.V., Alcan's packaging business group, Anheuser-Busch Companies, Inc., Ball Corporation, various bottlers of the Coca-Cola system, Crown Cork & Seal Company, Inc., BMW, Audi AG, Daimler AG, Kodak Polychrome Graphics GmbH, Ford Motor Company, Lotte Aluminum, Pactiv Corporation, Rexam Plc and Xiamen Xiashun Aluminum Foil Co., Ltd. In fiscal 2009, approximately 45% of our net sales were to our ten largest customers, most of whom we have been supplying for more than 20 years. We endeavor to gain strong customer loyalty by anticipating and meeting the specific technical standards demanded by our customers with a high level of quality, technical support and customer service.

Our Business Strategy

Our primary objective is to deliver stockholder and customer value by being the most innovative and profitable aluminum rolled products company in the world. We intend to achieve this objective through the following areas of focus:

Focus on core operations and optimize our costs

We strive to be one of the lowest-cost producers of aluminum rolled products by pursuing a standardized focus on our core operations and through the implementation of cost-reduction and restructuring initiatives. To achieve this objective, we have standardized our manufacturing processes and the associated upstream and downstream production elements and established risk management processes in order to apply best practices in our core operations across all of our regions. In addition, we have implemented numerous restructuring initiatives over the last year, including the shutdown of facilities, staff rationalization and other activities which we believe will lead to annualized cost savings of approximately $140 million beginning in fiscal year 2011.

Integrate support functions globally in order to further drive improvements in our operations

Given our global operating footprint and customer base, we plan to globally align our support functions, such as finance, human resources, legal, information technology and supply chain management. We believe that managing these support functions centrally can accelerate executive decision-making processes, which will allow us to adapt our manufacturing processes and products more quickly and efficiently to respond to changing market conditions. We think that achieving a seamless alignment of goals, methods and metrics across the organization will improve communication and the implementation of strategic initiatives. Over time, we feel that these improvements will result in enhanced operating margins and performance.

Expand market leadership position through enhanced global and regional capabilities

We benefit from a global manufacturing footprint, including 31 manufacturing facilities in 11 countries on four continents as of June 30, 2009, which enables us to service customers worldwide and provide a strong "asset-based" competitive advantage. We are the only company capable of producing technologically sophisticated, high-end products in all four major market regions of the world. This competitive advantage is evident in our position as the number one global producer of beverage can sheet products based on shipments. We are able to service large can sheet customers on a worldwide basis, yet, through our regional operations we also

have the capability to adapt and cater to the regional preferences and needs of our customers. For example, we recently upgraded our Yeongju plant in Korea with technology and processes developed at our other plants around the world, which has allowed us to capture market share in the can end-use market in Asia. Additionally, we have been able to qualify Novelis plants in one region to provide alternative supply options and support to customers in a different region.

Focus on optimizing premium products to drive enhanced profitability

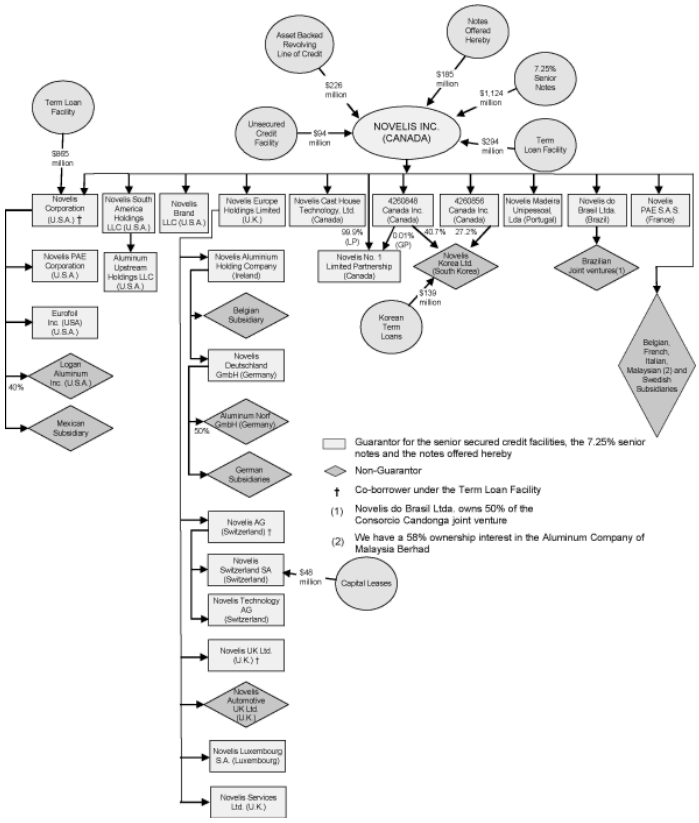
We plan to continue improving our product mix and margins by leveraging our world-class assets and technical capabilities. As a result of the development of Novelis Fusion™, we have demonstrated the required manufacturing know-how and research and development capabilities to design, develop and commercialize breakthrough technologies. Products like Novelis Fusion™ allow us to defend and enhance our strategic positioning in our core end-user segments. Additionally, our management approach helps us systematically identify opportunities to improve the profitability of our operations through product portfolio analysis. This ensures that we focus on growing in attractive market segments, while also taking actions to exit unattractive ones. For example, in the past three years, we have grown our can stock shipments in all regions by an average 20%, making it an even larger portion of our product mix, while reducing or exiting other less attractive market segments. Through our continued focus on operating execution, we believe we can cost-effectively deploy proprietary technologies that will contribute to growth and higher profitability.

Pursue organic growth in select emerging markets

Our international presence positions us well to capture additional growth opportunities in targeted aluminum rolled products in emerging regions, specifically South America and Asia. We believe South America and Asia have high growth potential in areas such as beverage cans, industrial products, construction and electronics. For example, our can stock shipments have grown by 43% in South America and by 63% in Asia from 2005 to 2008. While our manufacturing and operating presence positions us well to capture this growth, we would expect to make some incremental capital expenditures or selective acquisitions to expand our capabilities in these areas.

Our Corporate Structure

The following chart shows the borrowers and guarantors of our senior secured credit facilities, the issuer and guarantors of our outstanding 7.25% senior notes due 2015 and the notes, and our other material debt. The outstanding debt amounts are as of June 30, 2009. Our outstanding debt is further described under "Description of Other Indebtedness."



Spin-off from Alcan

Novelis Inc. was formed in Canada on September 21, 2004. On May 18, 2004, Alcan announced its intention to transfer its rolled products businesses into a separate company and to pursue a spin-off of that company to its shareholders. The spin-off occurred on January 6, 2005, following approval by Alcan's board of directors and shareholders and legal and regulatory approvals. Alcan shareholders received one Novelis common share for every five Alcan common shares held.

Acquisition by Hindalco

On May 15, 2007, Novelis was acquired by Hindalco through an indirect wholly-owned subsidiary pursuant to a plan of arrangement (the "Arrangement") at a price of $44.93 per share. The aggregate purchase price for all of Novelis' common shares was $3.4 billion, and $2.8 billion of Novelis' debt was also assumed, for a total transaction value of $6.2 billion. Subsequent to completion of the Arrangement on May 15, 2007, all of our common shares were indirectly held by Hindalco.

Corporate Information

Our registered office is located at 191 Evans Avenue, Toronto, Ontario, M8Z 1J5. Our principal executive offices are located at 3399 Peachtree Road NE, Suite 1500, Atlanta, Georgia 30326, and our telephone number is (404) 814-4200. The URL of our website is http://www.novelis.com. **Information on our website does not constitute part of this prospectus, and you should rely only on the information contained in this prospectus when making a decision as to whether to invest in the new notes described in this prospectus.**

Hindalco

Hindalco is one of Asia's largest integrated producers of aluminum and a leading producer of copper. Hindalco's stock is publicly traded on the Bombay Stock Exchange, the National Stock Exchange of India Limited and the Luxembourg Stock Exchange. Hindalco is an Indian corporation and headquartered in Mumbai, India. Hindalco is the flagship company of the Aditya Birla Group, a $28 billion multinational conglomerate with operations in 25 countries.

The Exchange Offer

The following summary contains basic information about the exchange offer and is not intended to be complete. For a more detailed description of the terms and conditions of the exchange offer, please refer to the section "The Exchange Offer"

The Exchange Offer	We are offering to exchange $1,000 principal amount of the new notes, which have been registered under the Securities Act, for each $1,000 principal amount of the old notes, which have not been registered under the Securities Act. We issued the old notes on August 11, 2009. In order to exchange your old notes, you must promptly tender them before the expiration date (as described herein). All old notes that are validly tendered and not validly withdrawn will be exchanged. We will issue the new notes on or promptly after the expiration date. You may tender your old notes for exchange in whole or in part in denominations of $2,000 and integral multiples of $1,000 in excess thereof.
Registration Rights Agreement	We sold the old notes on August 11, 2009 to Credit Suisse Securities (USA) LLC, Morgan Stanley & Co. Incorporated and RBS Securities Inc., the initial purchasers. Simultaneously with that sale, we signed a registration rights agreement with the initial purchasers relating to the old notes that requires us to conduct this exchange offer. You have the right under the registration rights agreement to exchange your old notes for new notes. The exchange offer is intended to satisfy such right. After the exchange offer is complete, you will no longer be entitled to any exchange or registration rights with respect to your old notes. For a description of the procedures for tendering old notes, see the section "The Exchange Offer — Exchange Offer Procedures."
Consequences of Failure to Exchange	If you do not exchange your old notes for new notes in the exchange offer, you will still have the restrictions on transfer provided in the old notes and in the indenture that governs both the old notes and the new notes. In general, the old notes may not be offered or sold unless registered or exempt from registration under the Securities Act, or in a transaction not subject to the Securities Act and applicable state securities laws. Upon completion of the exchange offer, we will have no further obligations to register, and we do not currently plan to register, the old notes under the Securities Act. See the section "Risk Factors — If you do not exchange your old notes for new notes, your ability to sell your old notes will be restricted."
Expiration Date	The exchange offer will expire at 5:00 p.m., New York City time, on , 2009, unless we extend the exchange offer in our sole and absolute discretion. In that case, the expiration date will be the latest date and time to which we extend the exchange offer. See the section "The Exchange Offer — Expiration Date; Extensions; Amendments."

Conditions to the Exchange Offer	The exchange offer is subject to customary conditions, some of which we may waive. For more information, see "The Exchange Offer — Conditions to the Exchange Offer."
Procedures for Tendering Old Notes	If you hold old notes through The Depository Trust Company ("DTC") and wish to participate in the exchange offer, you must comply with the Automated Tender Offer Program procedures of DTC. See the section "The Exchange Offer — Exchange Offer Procedures." If you are not a DTC participant, you may tender your old notes by book-entry transfer by contacting your broker, dealer or other nominee or by opening an account with a DTC participant, as the case may be. By accepting the exchange offer, you will represent to us that, among other things: • any new notes that you receive will be acquired in the ordinary course of your business; • you have no arrangement or understanding with any person or entity, including any of our affiliates, to participate in the distribution of the new notes; • you are not our "affiliate" as defined in Rule 405 under the Securities Act, or, if you are an affiliate, you will comply with any applicable registration and prospectus delivery requirements of the Securities Act; • if you are not a broker-dealer, that you are not engaged in, and do not intend to engage in, the distribution of the new notes; and • if you are a broker-dealer that will receive new notes for your own account in exchange for old notes that were acquired as a result of market-making activities, that you will deliver a prospectus, as required by law, in connection with any resale of the new notes.
Withdrawal Rights	You may withdraw the tender of your old notes at any time before the expiration date. To do this, you should deliver a written notice of your withdrawal to the exchange agent according to the withdrawal procedures described in the section "The Exchange Offer — Withdrawal Rights."
Exchange Agent	The exchange agent for the exchange offer is The Bank of New York Mellon Trust Company, N.A. The address, telephone number and facsimile number of the exchange agent are provided in the section "The Exchange Offer — Exchange Agent," as well as in the letter of transmittal.
Use of Proceeds	We will not receive any cash proceeds from the issuance of the new notes. See the section "Use of Proceeds."
Principal Canadian and U.S. Federal Income Tax Consequences	Your participation in the exchange offer generally will not be a taxable event for Canadian or U.S. federal income tax purposes. Accordingly, you will not recognize any taxable gain or loss or any interest income as a result of the exchange. See the section

"Principal Canadian and U.S. Federal Income Tax Consequences of the Exchange Offer."

Summary Description of the New Notes

The summary below describes the principal terms of the new notes. The terms of the new notes are identical in all material respects to the terms of the old notes, except that the registration rights and related liquidated damages provisions and the transfer restrictions applicable to the old notes are not applicable to the new notes. The new notes will evidence the same debt as the old notes and will be governed by the same indenture. Please read the section entitled "Description of the Notes" in this prospectus, which contains a more detailed description of the terms and conditions of the new notes.

Issuer	Novelis Inc., a Canadian corporation.
Securities Offered	$185,000,000 aggregate principal amount of 11 1/2% senior notes due 2015.
Maturity Date	The new notes will mature on February 15, 2015.
Interest	The new notes will bear interest at the rate of 11.5% per annum. Interest on the new notes will be payable semi-annually in arrears on February 15 and August 15 of each year, commencing February 15, 2010.
Guarantees	The new notes will be guaranteed, jointly and severally, on a senior unsecured basis, by all of our existing and future Canadian and U.S. restricted subsidiaries, certain of our existing foreign restricted subsidiaries and our other restricted subsidiaries that guarantee debt in the future under any credit facilities, provided that the borrower of such debt is our company or a Canadian or a U.S. subsidiary. For the year ended March 31, 2009 and the three months ended June 30, 2009, our subsidiaries that will not be guarantors of the new notes had net sales of $2.6 billion and $0.6 billion, respectively, and, as of June 30, 2009, those subsidiaries had assets of $1.4 billion and debt and other liabilities of $1.0 billion (including inter-company balances).
Ranking	The new notes will be: • our senior unsecured obligations; • effectively junior in right of payment to all of our existing and future secured debt to the extent of the value of the assets securing that debt; • effectively junior in right of payment to all debt and other liabilities (including trade payables) of any of our subsidiaries that do not guarantee the new notes; and • senior in right of payment to all of our future subordinated debt. The guarantees of each guarantor will be: • senior unsecured obligations of that guarantor; • effectively junior in right of payment to all existing and future secured debt of that guarantor to the extent of the value of the assets securing that debt, including the debt or guarantee of debt of that guarantor under the senior secured credit facilities, which

	debt or guarantee will be secured by the assets of that guarantor; and • senior in right of payment to all of that guarantor's future subordinated debt. As of June 30, 2009, we and the guarantors had $1.4 billion of secured debt. The indenture governing the new notes permits us, subject to specified limitations, to incur additional debt, which may be senior debt.
Optional Redemption	Prior to August 15, 2012, we may, from time to time, redeem all or any portion of the new notes by paying a special "make-whole" premium specified in this prospectus under "Description of the Notes — Optional Redemption." Commencing August 15, 2012, we may, from time to time, redeem all or any portion of the new notes at the redemption prices specified in this prospectus under "Description of the Notes — Optional Redemption." In addition, at any time and from time to time prior to August 15, 2012, we may also redeem up to 35% of the original aggregate principal amount of the new notes in an amount not to exceed the amount of proceeds of one or more equity offerings, at a price equal to 111.500% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, *provided* that at least 65% of the original aggregate principal amount of the new notes issued remains outstanding after the redemption.
Additional Amounts and Tax Redemption	Any payments made by us with respect to the new notes will be made without withholding or deduction, unless required by law. If we are required by law to withhold or deduct for taxes with respect to a payment to the holders of new notes, we will, subject to certain exceptions, pay the additional amount necessary so that the net amount received by the holders of new notes (other than certain excluded holders) after the withholding is not less than the amount they would have received in the absence of the withholding. If we are required to pay additional amounts as a result of changes in laws applicable to tax-related withholdings or deductions in respect of payments on the new notes but not the guarantees, we will have the option to redeem the new notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the new notes, plus any accrued and unpaid interest to the date of redemption and any additional amounts that may be then payable.
Certain Covenants	We will issue the new notes under an indenture among us, the guarantors and The Bank of New York Mellon Trust Company, N.A., as trustee. The indenture governing the new notes contains covenants that limit our ability and the ability of our restricted subsidiaries to: • incur additional debt and provide additional guarantees;

	• pay dividends beyond certain amounts and make other restricted payments; • create or permit certain liens; • make certain asset sales; • use the proceeds from the sales of assets and subsidiary stock; • create or permit restrictions on the ability of our restricted subsidiaries to pay dividends or make other distributions to us; • engage in certain transactions with affiliates; • enter into sale and leaseback transactions; • designate subsidiaries as unrestricted subsidiaries; and • consolidate, merge or transfer all or substantially all of our assets and the assets of our restricted subsidiaries. During any future period in which either Standard & Poor's Rating Services, a division of the McGraw-Hill Companies, Inc. ("Standard & Poor's"), or Moody's Investors Service, Inc. ("Moody's") have assigned an investment grade credit rating to the new notes and no default or event of default under the indenture has occurred and is continuing, most of the covenants, including our obligation to repurchase new notes following certain asset sales, will be suspended. If either of these ratings agencies then withdraws its ratings or downgrades the ratings assigned to the new notes below the required investment grade rating, or a default or event of default occurs and is continuing, the suspended covenants will again be in effect. If at any time both ratings agencies have assigned an investment grade rating to the new notes, those covenants, including our obligation to repurchase new notes following certain asset sales, will terminate and no longer be applicable regardless of any subsequent changes in the rating of those new notes. See "Description of the Notes — Certain Covenants — Covenant Termination and Suspension." These covenants are subject to a number of important limitations and exceptions. See "Description of the Notes — Certain Covenants."
Change of Control Offer	Following a change of control, we will be required to offer to purchase all of the new notes at a purchase price of 101% of their principal amount, plus accrued and unpaid interest, if any, to the date of purchase. See "Description of the Notes — Change of Control Offer."
Transfer Restrictions	The notes are not being offered for sale or exchange and may not be offered for sale or exchange directly or indirectly in Canada except in accordance with applicable securities laws of the provinces and territories of Canada. We are not required, and do not intend, to qualify by prospectus in Canada the notes, and accordingly, the notes will be subject to restriction on resale in Canada.
Risk Factors	Investing in the new notes involves substantial risks. See "Risk Factors" for a description of some of the risks you should consider before investing in the new notes.

Certain Income Tax Considerations	You should carefully read the information under the heading "Principal Canadian and U.S. Federal Income Tax Consequences of the Exchange Offer."
Original Issue Discount	The old notes were issued at a discount from their stated principal amount for U.S. federal income tax purposes. Consequently, original issue discount will be included in the gross income of a U.S. holder of notes for U.S. federal income tax purposes in advance of the receipt of corresponding cash payments on the notes. See "Principal Canadian and U.S. Federal Income Tax Consequences of the Exchange Offer — Certain U.S. Federal Income Tax Consequences of the Exchange Offer."

Summary Financial Data

We were acquired by Hindalco through its indirect wholly-owned subsidiary on May 15, 2007. We refer to the company prior to the Hindalco acquisition (through May 15, 2007) as the "Predecessor," and we refer to the company after the Hindalco acquisition (beginning on May 16, 2007) as the "Successor." On June 26, 2007, our board of directors approved the change of our fiscal year end to March 31 from December 31.

The summary consolidated financial data of the Successor presented below as of and for the three months ended June 30, 2009 and June 30, 2008 has been derived from the unaudited financial statements of Novelis Inc. included elsewhere in this prospectus. The summary consolidated financial data of the Successor presented below as of and for the year ended March 31, 2009, as of March 31, 2008 and for the period May 16, 2007, through March 31, 2008, has been derived from the financial statements of Novelis Inc. included elsewhere in this prospectus. The summary consolidated financial data of the Predecessor presented below for the period April 1, 2007 through May 15, 2007, for the three months ended March 31, 2007, and for the year ended December 31, 2006 has been derived from the financial statements of Novelis Inc. included elsewhere in this prospectus. The summary financial data of the Predecessor presented below as of March 31, 2007, and December 31, 2006, has been derived from the audited consolidated balance sheets of Novelis Inc. for such periods, which are not included in this prospectus. The results for the three months ended June 30, 2009 are not necessarily indicative of the results that may be expected for the entire year.

The summary consolidated financial data should be read in conjunction with our financial statements included elsewhere in this prospectus and the related notes thereto.

(In million, except per share share amounts)	Year Ended December 31, 2006 Predecessor	Three Months Ended March 31, 2007 Predecessor	April 1, 2007 through May 15, 2007(1) Predecessor	May 16, 2007 through March 31, 2008(1) Successor	Year Ended March 31, 2009 Successor	Three Months Ended June 30, 2008 Successor	Three Months Ended June 30, 2009 Successor
Statement of Operations:							
Net sales	$ 9,849	$ 2,630	$ 1,281	$ 9,965	$ 10,177	$ 3,103	$ 1,960
Cost of goods sold (exclusive of depreciation and amortization shown below)	9,317	2,447	1,205	9,042	9,251	2,831	1,533
Selling, general and administrative expenses	410	99	95	319	319	84	78
Depreciation and amortization	233	58	28	375	439	116	100
Research and development expenses	40	8	6	46	41	12	8
Interest expense and amortization of debt issuance costs	221	54	27	191	182	45	43
Interest income	(15)	(4)	(1)	(18)	(14)	(5)	(3)
(Gain) loss on change in fair value of derivative instruments, net	(63)	(30)	(20)	(22)	556	(65)	(72)
Impairment of goodwill	—	—	—	—	1,340	—	—
Gain on extinguishment of debt	—	—	—	—	(122)	—	—
Restructuring charges, net	19	9	1	6	95	(1)	3
Equity in net (income) loss of non-consolidated affiliates	(16)	(3)	(1)	(25)	172	2	10
Other (income) expenses, net	(19)	47	35	(6)	86	23	(13)
	10,127	2,685	1,375	9,908	12,345	3,042	1,687

(In million, except per share share amounts)	Year Ended December 31, 2006 Predecessor	Three Months Ended March 31, 2007 Predecessor	April 1, 2007 through May 15, 2007(1) Predecessor	May 16, 2007 through March 31, 2008(1) Successor	Year Ended March 31, 2009 Successor	Three Months Ended June 30, 2008 Successor	Three Months Ended June 30, 2009 Successor
Income (loss) before income taxes	(278)	(55)	(94)	57	(2,168)	61	273
Income tax provision (benefit)	(4)	7	4	73	(246)	35	112
Net income (loss)	(274)	(62)	(98)	(16)	(1,922)	26	161
Net income (loss) attributable to noncontrolling interests	1	2	(1)	4	(12)	2	18
Net income (loss) attributable to our common shareholder	$ (275)	$ (64)	$ (97)	$ (20)	$ (1,910)	$ 24	$ 143
Comprehensive income (loss)	$ (127)	$ (48)	$ (64)	$ 24	$ (2,157)	$ 45	$ 230
Dividends per common share	$ 0.20	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00

(In millions)	Year Ended December 31, 2006 Predecessor	Three Months Ended March 31, 2007 Predecessor	April 1, 2007 through May 15, 2007(1) Predecessor	May 16, 2007 through March 31, 2008(1) Successor	Year Ended March 31, 2009 Successor	Three Months Ended June 30, 2008 Successor	Three Months Ended June 30, 2009 Successor
Statement of Cash Flows Data:							
Net cash provided by (used in) operating activities	$ 16	$ (87)	$ (230)	$ 405	$ (236)	$ (351)	$ 258
Net cash provided by (used in) investing activities	193	2	2	(98)	(111)	16	(235)
Net cash provided by (used in) financing activities	(243)	140	201	(96)	286	309	(43)

(In millions)	Year Ended December 31, 2006 Predecessor	Three Months Ended March 31, 2007 Predecessor	April 1, 2007 through May 15, 2007(1) Predecessor	May 16, 2007 through March 31, 2008(1) Successor	Year Ended March 31, 2009 Successor	Three Months Ended June 30, 2008 Successor	Three Months Ended June 30, 2009 Successor
Other Financial and Operating Data:							
Ratio of earnings to fixed charges(2)	—	—	—	1.2x	—	2.3x	7.3x
Balance Sheet Data (at period end):							
Total assets	$ 5,792	$ 5,970		$ 10,737	$ 7,567	$ 10,969	$ 7,580
Long-term debt (including current portion)	2,302	2,300		2,575	2,559	2,567	2,555
Short-term borrowings	133	245		115	264	430	237
Cash and cash equivalents	73	128		326	248	296	237
Shareholders' equity	195	175		3,523	1,419	3,569	1,738

(1) The acquisition of Novelis by Hindalco on May 15, 2007 was recorded in accordance with Staff Accounting Bulletin No. 103, *Push Down Basis of Accounting Required in Certain Limited Circumstances* ("SAB 103"). In our consolidated balance sheets, the consideration and related costs paid by Hindalco in connection with the acquisition have been "pushed down" to us and have been allocated to the assets acquired and liabilities assumed in accordance with Financial Accounting Standards Board ("FASB")

Statement No. 141, *Business Combinations* ("FASB 141"). Due to the impact of push down accounting, our financial statements and certain note presentations for the year ended March 31, 2008 included elsewhere in this prospectus are presented in two distinct periods to indicate the application of two different bases of accounting between the periods presented: (1) the period up to, and including, the acquisition date (April 1, 2007 through May 15, 2007, labeled "Predecessor") and (2) the period after that date (May 16, 2007 through March 31, 2008, labeled "Successor"). The financial statements included elsewhere in this prospectus include a black line division which indicates that the Predecessor and Successor reporting entities shown are not comparable.

The consideration paid by Hindalco to acquire Novelis has been pushed down to us and allocated to the assets acquired and liabilities assumed based on our estimates of fair value, using methodologies and assumptions that we believe are reasonable. This allocation of fair value results in additional charges or income to our post-acquisition consolidated statements of operations.

(2) Earnings consist of income from continuing operations before the cumulative effect of accounting changes, before fixed charges (excluding capitalized interest) and income taxes, and eliminating undistributed income of persons owned less than 50% by us. Fixed charges consist of interest expenses and amortization of debt discount and expense and premium and that portion of rental payments which is considered as being representative of the interest factor implicit in our operating leases. The ratios shown above are based on our consolidated and combined financial information, which was prepared in accordance with GAAP.

Due to losses incurred in each of the periods presented below, the ratio coverage was less than 1:1. The table below presents the amount of additional earnings required to bring the fixed charge ratio to 1:1 for each respective period.

(In millions)	Year Ended December 31, 2006 Predecessor	Three Months Ended March 31, 2007 Predecessor	April 1, 2007 through May 15, 2007 Predecessor	Year Ended March 31, 2009 Successor
Additional earnings required to bring fixed charge ratio to 1:1	$ 280	$ 57	$ 93	$ 1,996

RISK FACTORS

An investment in the new notes involves a high degree of risk. In addition to the other information contained in this prospectus, prospective investors should carefully consider the following risks before investing in the new notes. If any of the following risks actually occur, our business, financial condition, operating results and cash flow could be materially adversely affected, which, in turn, could adversely affect our ability to pay interest and principal on the new notes. The risks discussed below also include forward-looking statements, and our actual results may differ substantially from those discussed in these forward-looking statements. See "Special Note Regarding Forward-Looking Statements and Market Data."

Risks Related to our Business and the Market Environment

Economic conditions could continue to materially adversely affect our financial condition, results of operations and liquidity.

Our financial condition and results of operations depend significantly on worldwide economic conditions. These economic conditions have recently deteriorated significantly in many countries and regions in which we do business and may remain depressed for the foreseeable future. Uncertainty about current global economic conditions poses a risk as our customers may postpone purchases in response to tighter credit and negative financial news, which could adversely impact demand for our products. These and other economic factors have, and may continue to have, a significant impact on our financial condition and results of operations.

The current financial turmoil affecting the banking system and financial markets and the possibility that additional financial institutions may consolidate or go out of business has resulted in a tightening in the credit markets, a low level of liquidity in many financial markets and extreme volatility in fixed income, credit, currency and equity markets. There could be a number of follow-on effects from the credit crisis on our business, including the insolvency of key suppliers or their inability to obtain credit to finance development and/or manufacture products resulting in product delays and the inability of customers to purchase our products or pay for products they have already received. If conditions become more severe or continue longer than we anticipate, or if we are unable to adequately respond to unforeseeable changes in demand resulting from economic conditions, our financial condition and results of operations may be materially adversely affected.

The deterioration of global economic conditions combined with rapidly declining aluminum prices from a peak of $3,292 per tonne in July 2008 to $1,616 per tonne on June 30, 2009 have placed pressure on our short-term liquidity. In the near term, our forecast indicates our liquidity position will be tight, but adequate as we settle outstanding derivative positions. However, our liquidity needs could increase due to the unpredictability of current market conditions and their potential effect on customer credit, future derivative settlements, future sales volume, our credit, or other matters. As a result, management has undertaken a number of activities to generate cash in the near term as well as implement changes in our cost structure that will benefit our liquidity in the long-term.

In addition, we use various derivative instruments to manage the risks arising from fluctuations in exchange rates, interest rates, aluminum prices and energy prices. The current financial turmoil affecting the banking system and financial markets could affect whether the counterparties to our derivative instruments are able to honor their agreements. We may be exposed to losses in the future if the counterparties to our derivative instruments fail to honor their agreements. Our maximum potential loss may exceed the amount recognized in our consolidated balance sheet as of June 30, 2009.

Certain of our customers are significant to our revenues, and we could be adversely affected by changes in the business or financial condition of these significant customers or by the loss of their business.

Our ten largest customers accounted for approximately 53%, 45%, 45%, 47%, 43% and 43% of our total net sales for the three months ended June 30, 2009; the year ended March 31, 2009; the period from May 16, 2007, through March 31, 2008; the period from April 1, 2007, to May 15, 2007; the three months ended March 31, 2007; and the year ended December 31, 2006, respectively, with Rexam Plc, a leading global

beverage can maker, and its affiliates representing approximately 20%, 17%, 15%, 14%, 16% and 14% of our total net sales in the respective periods. A significant downturn in the business or financial condition of our significant customers could materially adversely affect our results of operations and cash flows. In addition, if our existing relationships with significant customers materially deteriorate or are terminated in the future, and we are not successful in replacing business lost from such customers, our results of operations and cash flows could be adversely affected. Some of the longer term contracts under which we supply our customers, including under umbrella agreements such as those described under "Business — Our Customers," are subject to renewal, renegotiation or re-pricing at periodic intervals or upon changes in competitive supply conditions. Our failure to successfully renew, renegotiate or re-price such agreements could result in a reduction or loss in customer purchase volume or revenue, and if we are not successful in replacing business lost from such customers, our results of operations and cash flows could be adversely affected. The markets in which we operate are competitive and customers may seek to consolidate supplier relationships or change suppliers to obtain cost savings and other benefits.

Our profitability and cash flows could be adversely affected by our inability to pass through metal price increases due to metal price ceilings in certain of our sales contracts.

Prices for metal are volatile, have been impacted by recent structural changes in the market, and may increase from time to time. Nearly all of our products have a price structure with two components: (i) a pass-through aluminum price based on the LME plus local market premiums and (ii) a "conversion premium" price based on the conversion cost to produce the rolled product and the competitive market conditions for that product. Sales contracts representing 257 kt and 300 kt of our fiscal 2009 and 2008 shipments, respectively, contained a ceiling over which metal prices could not be contractually passed through to certain customers, unless adjusted. This negatively impacted our margins and operating cash flows when the price we paid for metal was above the ceiling price contained in these contracts. We calculate and report this difference to be approximately the difference between the quoted purchase price on the LME (adjusted for any local premiums and for any price lag associated with purchasing or processing time) and the metal price ceiling in our contracts. Cash flows from operations are negatively impacted by the same amounts, adjusted for any timing difference between customer receipts and vendor payments, and offset partially by reduced income taxes.

During the years ended March 31, 2009, March 31, 2008 and March 31, 2007, we were unable to pass through approximately $176 million, $230 million and $460 million, respectively, of metal purchase costs associated with sales under these contracts. For the three months ended June 30, 2009, we did not incur any sales subject to the ceiling. Based upon current LME prices and based on a June 30, 2009 aluminum price of $1,616 per tonne, there is no unfavorable revenue or cash flow impact expected through December 31, 2009 when these contracts expire. However, if metal prices increase above the metal price ceiling, our margins and operating cash flows will be negatively impacted.

Our efforts to mitigate the risk of rising metal prices may not be effective.

We employ the following strategies to manage and mitigate the risk associated with metal price ceilings and rising prices that we cannot pass through to certain customers:

- We maximize the amount of our internally supplied metal inputs from our smelting, refining and mining operations in Brazil and rely on output from our recycling operations which utilize UBCs. Both of these sources of aluminum supply have historically provided an offsetting benefit to the metal price ceiling contracts as these sources are typically less expensive than purchasing aluminum from third party suppliers. We refer to these two sources as "internal hedges." To the extent that this benefit is not as significant (or does not exist at all) in the future, our internal hedges may not provide an effective offset to the metal price ceiling contracts.
- We generally enter into derivative instruments to hedge projected aluminum volume requirements above our assumed internal hedge position mitigating our exposure to further increases in LME. As a result of these instruments, we will continue to incur cash losses related to these contracts even if LME remains below the ceiling price. As of June 30, 2009 the fair value of the liability associated with these

derivative instruments was $67 million. In addition, to the extent that our exposures are not fully hedged due to the cost associated with derivative instruments, we will be exposed to gains and losses when changes occur in the market price of aluminum. Alternatively, we may continue to purchase derivative instruments at higher prices than historic levels.

Our results and cash flows can be negatively impacted by timing differences between the prices we pay under purchase contracts and metal prices we charge our customers.

In some of our contracts there is a timing difference between the metal prices we pay under our purchase contracts and the metal prices we charge our customers. As a result, changes in metal prices impact our results, since during such periods we bear the additional cost or benefit of metal price changes, which could have a material effect on our profitability and cash flows.

Our operations consume energy and our profitability and cash flows may decline if energy costs were to rise, or if our energy supplies were interrupted.

We consume substantial amounts of energy in our rolling operations, cast house operations and Brazilian smelting operations. The factors that affect our energy costs and supply reliability tend to be specific to each of our facilities. A number of factors could materially adversely affect our energy position including:

- increases in costs of natural gas;
- significant increases in costs of supplied electricity or fuel oil related to transportation;
- interruptions in energy supply due to equipment failure or other causes;
- the inability to extend energy supply contracts upon expiration on economical terms; and
- the inability to pass through energy costs in certain sales contracts.

If energy costs were to rise, or if energy supplies or supply arrangements were disrupted, our profitability and cash flows could decline.

We may not have sufficient cash to repay indebtedness and we may be limited in our ability to access financing for future capital requirements, which may prevent us from increasing our manufacturing capability, improving our technology or addressing any gaps in our product offerings.

Although historically our cash flow from operations has been sufficient to repay indebtedness, satisfy working capital requirements and fund capital expenditure and research and development requirements, in the future we may need to incur additional debt or issue equity in order to fund these requirements as well as to make acquisitions and other investments. To the extent we are unable to raise new capital, we may be unable to increase our manufacturing capability, improve our technology or address any gaps in our product offerings. If we raise funds through the issuance of debt, the terms of the debt securities may impose restrictions on our operations that have an adverse impact on our financial condition.

A deterioration of our financial position or a downgrade of our ratings by a credit rating agency could increase our borrowing costs and our business relationships could be adversely affected.

A deterioration of our financial position or a downgrade of our ratings for any reason could increase our borrowing costs and have an adverse effect on our business relationships with customers, suppliers and hedging counterparties. From time to time, we enter into various forms of hedging activities against currency or metal price fluctuations and trade metal contracts on the LME. Financial strength and credit ratings are important to the availability and pricing of these hedging and trading activities. As a result, any downgrade of our credit ratings may make it more costly for us to engage in these activities, and changes to our level of indebtedness may make it more difficult or costly for us to engage in these activities in the future.

Adverse changes in currency exchange rates could negatively affect our financial results or cash flows and the competitiveness of our aluminum rolled products relative to other materials.

Our businesses and operations are exposed to the effects of changes in the exchange rates of the U.S. dollar, the euro, the British pound, the Brazilian real, the Canadian dollar, the Korean won and other currencies. We have implemented a hedging policy that attempts to manage currency exchange rate risks to an acceptable level based on management's judgment of the appropriate trade-off between risk, opportunity and cost; however, this hedging policy may not successfully or completely eliminate the effects of currency exchange rate fluctuations which could have a material adverse effect on our financial results and cash flows.

We prepare our consolidated financial statements in U.S. dollars, but a portion of our earnings and expenditures are denominated in other currencies, primarily the euro, the Korean won and the Brazilian real. Changes in exchange rates will result in increases or decreases in our reported costs and earnings and may also affect the book value of our assets located outside the U.S.

Most of our facilities are staffed by a unionized workforce, and union disputes and other employee relations issues could materially adversely affect our financial results.

Approximately 70% of our employees are represented by labor unions under a large number of collective bargaining agreements with varying durations and expiration dates. We may not be able to satisfactorily renegotiate our collective bargaining agreements when they expire. In addition, existing collective bargaining agreements may not prevent a strike or work stoppage at our facilities in the future, and any such work stoppage could have a material adverse effect on our financial results and cash flows.

Our operations have been and will continue to be exposed to various business and other risks, changes in conditions and events beyond our control in countries where we have operations or sell products.

We are, and will continue to be, subject to financial, political, economic and business risks in connection with our global operations. We have made investments and carry on production activities in various emerging markets, including Brazil, Korea and Malaysia, and we market our products in these countries, as well as China and certain other countries in Asia, the Middle East and emerging markets in South America. While we anticipate higher growth or attractive production opportunities from these emerging markets, they also present a higher degree of risk than more developed markets. In addition to the business risks inherent in developing and servicing new markets, economic conditions may be more volatile, legal and regulatory systems less developed and predictable, and the possibility of various types of adverse governmental action more pronounced. In addition, inflation, fluctuations in currency and interest rates, competitive factors, civil unrest and labor problems could affect our revenues, expenses and results of operations. Our operations could also be adversely affected by acts of war, terrorism or the threat of any of these events as well as government actions such as controls on imports, exports and prices, tariffs, new forms of taxation, or changes in fiscal regimes and increased government regulation in the countries in which we operate or service customers. Unexpected or uncontrollable events or circumstances in any of these markets could have a material adverse effect on our financial results and cash flows.

We could be adversely affected by disruptions of our operations.

Breakdown of equipment or other events, including catastrophic events such as war or natural disasters, leading to production interruptions in our plants could have a material adverse effect on our financial results and cash flows. Further, because many of our customers are, to varying degrees, dependent on planned deliveries from our plants, those customers that have to reschedule their own production due to our missed deliveries could pursue claims against us. We may incur costs to correct any of these problems, in addition to facing claims from customers. Further, our reputation among actual and potential customers may be harmed, resulting in a loss of business. While we maintain insurance policies covering, among other things, physical damage, business interruptions and product liability, these policies would not cover all of our losses.

As part of our ongoing evaluation of our operations, we may undertake additional restructuring efforts in the future which could in some instances result in significant severance-related costs, environmental remediation expenses and impairment and other restructuring charges.

We recorded restructuring charges of $95 million for the year ended March 31, 2009 and $7 million for the year ended March 31, 2008. During this two year period we announced, among others, the following restructuring actions and programs:

- ceasing production of commercial grade alumina at our Ouro Preto facility in Brazil;
- the closure of our aluminum sheet mill in Rogerstone, South Wales, U.K.;
- a restructuring plan to streamline our operations at our Rugles facility located in Upper Normandy, France;
- a voluntary separation program for salaried employees in North America and the corporate office aimed at reducing staff levels;
- a voluntary retirement program in Asia; and
- the closure of our light gauge converter products facility in Louisville, Kentucky.

We may take additional restructuring actions in the future. In particular, we expect to continue to evaluate our primary aluminum business in light of current market conditions, including our South American operations, which include two rolling plants in Brazil along with two smelters, bauxite mines and power generation facilities. Any additional restructuring efforts could result in significant severance-related costs, environmental remediation expenses, impairment charges, restructuring charges and related costs and expenses, which could adversely affect our profitability and cash flows.

We may not be able to successfully develop and implement new technology initiatives in a timely manner.

We have invested in, and are involved with, a number of technology and process initiatives. Several technical aspects of these initiatives are still unproven, and the eventual commercial outcomes cannot be assessed with any certainty. Even if we are successful with these initiatives, we may not be able to deploy them in a timely fashion. Accordingly, the costs and benefits from our investments in new technologies and the consequent effects on our financial results may vary from present expectations.

If we fail to establish and maintain effective internal control over financial reporting, we may have material misstatements in our financial statements and we may not be able to report our financial results in a timely manner.

Pursuant to the Sarbanes-Oxley Act of 2002, we are required to provide a report by management in our Form 10-K on internal control over financial reporting, including management's assessment of the effectiveness of such control. Internal control over financial reporting may not prevent or detect misstatements because of its inherent limitations, including the possibility of human error, the circumvention or overriding of controls or fraud. Therefore, even effective internal controls can provide only some assurance with respect to the preparation and fair presentation of financial statements. If we fail to maintain the adequacy of our internal controls, we may be unable to provide financial information in a timely and reliable manner. Any such difficulties or failure may have a material adverse effect on our business, financial condition and operating results.

In July 2008, we identified non-cash errors relating to our purchase accounting for an equity method investee including related income tax accounts. As a result of our identification of these errors, our audit committee of our board of directors (the "Audit Committee") and management concluded on August 1, 2008, that our previously issued consolidated financial statements for our fiscal year ended March 31, 2008, should no longer be relied upon. Upon conducting a review of these accounting errors, management determined that as of March 31, 2008, we had a material weakness with respect to the application of purchase accounting for an equity method investee including the related income tax accounts. Specifically, our controls did not ensure

the accuracy and validity of our purchase accounting adjustments for an equity method investee. This control deficiency could result in a material misstatement of our "Investment in and advances to non-consolidated affiliates" and "Equity in net (income) loss of non-consolidated affiliates" in our consolidated financial statements that would result in a material misstatement of our annual or interim consolidated financial statements that would not be prevented or detected. Accordingly, management had determined that this control deficiency constitutes a material weakness. This material weakness was disclosed in our amended Annual Report on Form 10-K for the fiscal year ended March 31, 2008, our quarterly report on Form 10-Q for the period ended June 30, 2008, our quarterly report on Form 10-Q for the period ended September 30, 2008, our quarterly report on form 10-Q for the period ended December 31, 2008, our Annual Report on Form 10-K for the fiscal year ended March 31, 2009, and our quarterly report on Form 10-Q for the period ended June 30, 2009. This material weakness still existed as of June 30, 2009.

If we are not able to remedy the material weakness in a timely manner, we may not be able to provide our securityholders with the required financial information in a timely and reliable manner and we may incorrectly report financial information, either of which could subject us to sanctions or investigation by regulatory authorities, such as the SEC. In addition, there could be a negative reaction in the financial markets due to a loss of confidence in the reliability of our financial statements.

Loss of our key management and other personnel, or an inability to attract such management and other personnel, could adversely impact our business.

We depend on our senior executive officers and other key personnel to run our business. The loss of any of these officers or other key personnel could materially adversely affect our operations. Competition for qualified employees among companies that rely heavily on engineering and technology is intense, and the loss of qualified employees or an inability to attract, retain and motivate additional highly skilled employees required for the operation and expansion of our business could hinder our ability to improve manufacturing operations, conduct research activities successfully and develop marketable products.

Past and future acquisitions or divestitures may adversely affect our financial condition.

Historically, we have grown partly through the acquisition of other businesses, including businesses acquired by Alcan in its 2000 acquisition of the Alusuisse Group Ltd. and its 2003 acquisition of Pechiney SA, both of which were integrated aluminum companies. As part of our strategy for growth, we may continue to pursue acquisitions, divestitures or strategic alliances, which may not be completed or, if completed, may not be ultimately beneficial to us. There are numerous risks commonly encountered in business combinations, including the risk that we may not be able to complete a transaction that has been announced, effectively integrate businesses acquired or generate the cost savings and synergies anticipated. Failure to do so could have a material adverse effect on our financial results.

We could be required to make unexpected contributions to our defined benefit pension plans as a result of adverse changes in interest rates and the capital markets.

Most of our pension obligations relate to funded defined benefit pension plans for our employees in the U.S., the U.K. and Canada, unfunded pension benefits in Germany and lump sum indemnities payable to our employees in France, Italy, Korea and Malaysia upon retirement or termination. Our pension plan assets consist primarily of funds invested in listed stocks and bonds. Our estimates of liabilities and expenses for pensions and other postretirement benefits incorporate a number of assumptions, including expected long-term rates of return on plan assets and interest rates used to discount future benefits. Our results of operations, liquidity or shareholders' equity in a particular period could be adversely affected by capital market returns that are less than their assumed long-term rate of return or a decline of the rate used to discount future benefits.

If the assets of our pension plans do not achieve assumed investment returns for any period, such deficiency could result in one or more charges against our earnings for that period. In addition, changing

economic conditions, poor pension investment returns or other factors may require us to make unexpected cash contributions to the pension plans in the future, preventing the use of such cash for other purposes.

We face risks relating to certain joint ventures and subsidiaries that we do not entirely control. Our ability to generate cash from these entities may be more restricted than if such entities were wholly-owned subsidiaries.

Some of our activities are, and will in the future be, conducted through entities that we do not entirely control or wholly own. These entities include our Norf, Germany and Logan, Kentucky joint ventures, as well as our majority-owned Korean and Malaysian subsidiaries. Our Malaysian subsidiary is a public company whose shares are listed for trading on the Bursa Malaysia Securities Berhad. Under the governing documents or agreements or securities laws applicable to or stock exchange listing rules relative to certain of these joint ventures and subsidiaries, our ability to fully control certain operational matters may be limited. In addition, we do not solely determine certain key matters, such as the timing and amount of cash distributions from these entities. As a result, our ability to generate cash from these entities may be more restricted than if they were wholly-owned entities.

Hindalco and its interests as equity holder may conflict with our interest or your interests as holders of the notes in the future.

Novelis is an indirectly wholly-owned subsidiary of Hindalco. As a result, Hindalco may exercise control over our decisions to enter into any corporate transaction or capital restructuring and has the ability to approve or prevent any transaction that requires the approval of our stockholders, regardless of whether or not holders of the notes believe that any such transactions are in their own best interests. The interests of Hindalco and the actions it is able to undertake as our sole stockholder may differ or adversely affect your interests as holders of the notes. Hindalco may have an interest in pursuing acquisitions, divestitures, financings or other transactions that, in its judgment, could enhance its equity investment, even though such transactions might involve risks to holders of the notes. For example, Hindalco could cause us to make acquisitions that increase the amount of indebtedness that is secured, or to sell revenue-generating assets, impairing our ability to make payments under the notes. Hindalco may be able to strongly influence or effectively control our decisions as long as they own a significant portion of our equity, even if such amount is less than 50%. Additionally, Hindalco operates in the aluminum industry and may from time to time acquire and hold interests in businesses that compete, directly or indirectly, with us. Hindalco may also pursue acquisition opportunities that may be complementary to our business, and as a result, those acquisition opportunities may not be available to us. Hindalco has no obligation to provide us with financing and is able to sell their equity ownership in us at any time.

We have supply agreements with Alcan for a portion of our raw materials requirements. If Alcan is unable to deliver sufficient quantities of these materials or if it terminates these agreements, our ability to manufacture products on a timely basis could be adversely affected.

The manufacture of our products requires sheet ingot that has historically been, in part, supplied by Alcan. For the year ended March 31, 2009, we purchased the majority of our third party sheet ingot requirements from Alcan's primary metal group. In connection with the spin-off, we entered into metal supply agreements with Alcan upon terms and conditions substantially similar to market terms and conditions for the continued purchase of sheet ingot from Alcan, which were amended effective as of January 1, 2008. If Alcan is unable to deliver sufficient quantities of this material on a timely basis or if Alcan terminates one or more of these agreements, our production may be disrupted and our net sales, profitability and cash flows could be materially adversely affected. Although aluminum is traded on the world markets, developing alternative suppliers for that portion of our raw material requirements we expect to be supplied by Alcan could be time consuming and expensive.

Our continuous casting operations at our Saguenay Works, Canada facility depend upon a local supply of molten aluminum from Alcan. For the fiscal year ended March 31, 2009, Alcan's primary metal group supplied most of the molten aluminum used at Saguenay Works. In connection with the spin-off, we entered into a metal supply agreement on terms determined primarily by Alcan for the continued purchase of molten

aluminum from Alcan. If this supply were to be disrupted, our Saguenay Works production could be interrupted and our net sales, profitability and cash flows materially adversely affected.

We may lose key rights if a change in control of our voting shares were to occur.

Our separation agreement with Alcan provides that if we experience a change in control in our voting shares during the five years following the spin-off and if the entity acquiring control does not refrain from using the Novelis assets to compete against Alcan in the plate and aerospace products markets, Alcan may terminate any or all of certain agreements we currently have with Alcan. Hindalco delivered the requisite non-compete agreement to Alcan on June 14, 2007, following its acquisition of our common shares. However, if Hindalco were to sell its controlling interest in Novelis before January 6, 2010, a new acquirer would be required to provide a similar agreement.

The termination of any of these agreements could deprive any potential acquirer of certain services, resources or rights necessary to the conduct of our business. Replacement of these assets could be difficult or impossible, resulting in a material adverse effect on our business operations, net sales, profitability and cash flows. In addition, the potential termination of these agreements could prevent us from entering into future business transactions such as acquisitions or joint ventures at terms favorable to us or at all.

Our agreement not to compete with Alcan in certain end-use markets may hinder our ability to take advantage of new business opportunities.

In connection with the spin-off, we agreed not to compete with Alcan for a period of five years from the spin-off date in the manufacture, production and sale of certain products for use in the plate and aerospace markets. As a result, it may be more difficult for us to pursue successfully new business opportunities, which could limit our potential sources of revenue and growth.

We face significant price and other forms of competition from other aluminum rolled products producers, which could hurt our results of operations and cash flows.

Generally, the markets in which we operate are highly competitive. We compete primarily on the basis of our value proposition, including price, product quality, ability to meet customers' specifications, range of products offered, lead times, technical support and customer service. Some of our competitors may benefit from greater capital resources, have more efficient technologies, have lower raw material and energy costs and may be able to sustain longer periods of price competition.

In addition, our competitive position within the global aluminum rolled products industry may be affected by, among other things, the recent trend toward consolidation among our competitors, exchange rate fluctuations that may make our products less competitive in relation to the products of companies based in other countries (despite the U.S. dollar-based input cost and the marginal costs of shipping) and economies of scale in purchasing, production and sales, which accrue to the benefit of some of our competitors.

Increased competition could cause a reduction in our shipment volumes and profitability or increase our expenditures, either of which could have a material adverse effect on our financial results and cash flows.

The end-use markets for certain of our products are highly competitive and customers are willing to accept substitutes for our products.

The end-use markets for certain aluminum rolled products are highly competitive. Aluminum competes with other materials, such as steel, plastics, composite materials and glass, among others, for various applications, including in beverage and food cans and automotive end-use markets. In the past, customers have demonstrated a willingness to substitute other materials for aluminum. For example, changes in consumer preferences in beverage containers have increased the use of PET plastic containers and glass bottles in recent years. These trends may continue. The willingness of customers to accept substitutes for aluminum products could have a material adverse effect on our financial results and cash flows.

The seasonal nature of some of our customers' industries could have a material adverse effect on our financial results and cash flows.

The construction industry and the consumption of beer and soda are sensitive to weather conditions and as a result, demand for aluminum rolled products in the construction industry and for can feedstock can be seasonal. Our quarterly financial results could fluctuate as a result of climatic changes, and a prolonged series of cold summers in the different regions in which we conduct our business could have a material adverse effect on our financial results and cash flows.

We are subject to a broad range of environmental, health and safety laws and regulations in the jurisdictions in which we operate, and we may be exposed to substantial environmental, health and safety costs and liabilities.

We are subject to a broad range of environmental, health and safety laws and regulations in the jurisdictions in which we operate. These laws and regulations impose increasingly stringent environmental, health and safety protection standards and permitting requirements regarding, among other things, air emissions, wastewater storage, treatment and discharges, the use and handling of hazardous or toxic materials, waste disposal practices, the remediation of environmental contamination, post-mining reclamation and working conditions for our employees. Some environmental laws, such as Superfund and comparable laws in U.S. states and other jurisdictions worldwide, impose joint and several liability for the cost of environmental remediation, natural resource damages, third party claims, and other expenses, without regard to the fault or the legality of the original conduct.

The costs of complying with these laws and regulations, including participation in assessments and remediation of contaminated sites and installation of pollution control facilities, have been, and in the future could be, significant. In addition, these laws and regulations may also result in substantial environmental liabilities associated with divested assets, third party locations and past activities. In certain instances, these costs and liabilities, as well as related action to be taken by us, could be accelerated or increased if we were to close, divest of or change the principal use of certain facilities with respect to which we may have environmental liabilities or remediation obligations. Currently, we are involved in a number of compliance efforts, remediation activities and legal proceedings concerning environmental matters, including certain activities and proceedings arising under Superfund and comparable laws in U.S. states and other jurisdictions worldwide in which we have operations, including Brazil and certain countries in the European Union.

We have established reserves for environmental remediation activities and liabilities where appropriate. However, the cost of addressing environmental matters (including the timing of any charges related thereto) cannot be predicted with certainty, and these reserves may not ultimately be adequate, especially in light of potential changes in environmental conditions, changing interpretations of laws and regulations by regulators and courts, the discovery of previously unknown environmental conditions, the risk of governmental orders to carry out additional compliance on certain sites not initially included in remediation in progress, our potential liability to remediate sites for which provisions have not been previously established and the adoption of more stringent environmental laws. Such future developments could result in increased environmental costs and liabilities and could require significant capital expenditures, any of which could have a material adverse effect on our financial condition, results or cash flows. Furthermore, the failure to comply with our obligations under the environmental laws and regulations could subject us to administrative, civil or criminal penalties, obligations to pay damages or other costs, and injunctions or other orders, including orders to cease operations. In addition, the presence of environmental contamination at our properties could adversely affect our ability to sell property, receive full value for a property or use a property as collateral for a loan.

Some of our current and potential operations are located or could be located in or near communities that may regard such operations as having a detrimental effect on their social and economic circumstances. Environmental laws typically provide for participation in permitting decisions, site remediation decisions and other matters. Concern about environmental justice issues may affect our operations. Should such community objections be presented to government officials, the consequences of such a development may have a material adverse impact upon the profitability or, in extreme cases, the viability of an operation. In addition, such

developments may adversely affect our ability to expand or enter into new operations in such location or elsewhere and may also have an effect on the cost of our environmental remediation projects.

We use a variety of hazardous materials and chemicals in our rolling processes, as well as in our smelting operations in Brazil and in connection with maintenance work on our manufacturing facilities. Because of the nature of these substances or related residues, we may be liable for certain costs, including, among others, costs for health-related claims or removal or re-treatment of such substances. Certain of our current and former facilities incorporate asbestos-containing materials, a hazardous substance that has been the subject of health-related claims for occupation exposure. In addition, although we have developed environmental, health and safety programs for our employees, including measures to reduce employee exposure to hazardous substances, and conduct regular assessments at our facilities, we are currently, and in the future may be, involved in claims and litigation filed on behalf of persons alleging injury predominantly as a result of occupational exposure to substances or other hazards at our current or former facilities. It is not possible to predict the ultimate outcome of these claims and lawsuits due to the unpredictable nature of personal injury litigation. If these claims and lawsuits, individually or in the aggregate, were finally resolved against us, our results of operations and cash flows could be adversely affected.

We may be exposed to significant legal proceedings or investigations.

From time to time, we are involved in, or the subject of, disputes, proceedings and investigations with respect to a variety of matters, including environmental, health and safety, product liability, employee, tax, personal injury, contractual and other matters as well as other disputes and proceedings that arise in the ordinary course of business.

Certain of these matters are discussed in the preceding risk factor. Any claims against us or any investigations involving us, whether meritorious or not, could be costly to defend or comply with and could divert management's attention as well as operational resources. Any such dispute, litigation or investigation, whether currently pending or threatened or in the future, may have a material adverse effect on our financial results and cash flows.

For example, a lawsuit was commenced against Novelis Corporation on February 15, 2007 by Coca-Cola Bottler's Sales and Services Company LLC ("CCBSS") in Georgia state court. CCBSS is a consortium of Coca-Cola bottlers across the United States, including Coca-Cola Enterprises Inc. CCBSS alleges that Novelis Corporation breached an aluminum can stock supply agreement between the parties, and seeks monetary damages in an amount to be determined at trial and a declaration of its rights under the agreement. The agreement includes a "most favored nations" provision regarding certain pricing matters. CCBSS alleges that Novelis Corporation breached the terms of the "most favored nations" provision. The dispute will likely turn on the facts that are presented to the court by the parties and the court's finding as to how certain provisions of the agreement ought to be interpreted. If CCBSS were to prevail in this litigation, the amount of damages would likely be material. Novelis Corporation has filed its answer and the parties are proceeding with discovery. See "Business — Legal Proceedings."

Product liability claims against us could result in significant costs or negatively impact our reputation and could adversely affect our business results and financial condition.

We are sometimes exposed to warranty and product liability claims. There can be no assurance that we will not experience material product liability losses arising from such claims in the future and that these will not have a negative impact on us. We generally maintain insurance against many product liability risks, but there can be no assurance that this coverage will be adequate for any liabilities ultimately incurred. In addition, there is no assurance that insurance will continue to be available on terms acceptable to us. A successful claim that exceeds our available insurance coverage could have a material adverse effect on our financial results and cash flows.

Risks Related to the Notes

Our substantial indebtedness could adversely affect our business and therefore make it more difficult for us to fulfill our obligations under the notes.

We are highly leveraged. As of June 30, 2009, after giving effect on an as adjusted basis to the offering of the old notes, we would have had $2.8 billion of indebtedness outstanding. Our substantial indebtedness and interest expense could have important consequences to our company and holders of notes, including:

- limiting our ability to borrow additional amounts for working capital, capital expenditures, debt service requirements, execution of our growth strategy or other general corporate purposes;
- limiting our ability to use operating cash flow in other areas of our business because we must dedicate a substantial portion of these funds to service our debt;
- increasing our vulnerability to general adverse economic and industry conditions;
- placing us at a competitive disadvantage as compared to our competitors that have less leverage;
- limiting our ability to capitalize on business opportunities and to react to competitive pressures and adverse changes in government regulation;
- limiting our ability or increasing the costs to refinance indebtedness; and
- limiting our ability to enter into hedging transactions by reducing the number of counterparties with whom we can enter into such transactions as well as the volume of those transactions.

Despite the level of our indebtedness, we may still incur significantly more indebtedness. This could further increase the risks associated with our indebtedness.

Despite our current level of indebtedness, we and our subsidiaries may be able to incur significant additional indebtedness, including secured indebtedness, in the future. Although our senior secured credit facilities, the indenture governing our 7.25% senior notes and the indenture governing the notes contain restrictions on our and our subsidiaries' ability to incur additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and, under certain circumstances, the indebtedness incurred in compliance with such restrictions could be substantial. If new indebtedness is added to our and our subsidiaries' current debt levels, the related risks that we and they face would be increased and we may not be able to meet all our debt obligations, including repayment of the notes, in whole or in part.

We may not be able to generate sufficient cash to service all our indebtedness, including the notes, and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.

Our ability to make scheduled payments on or to refinance our debt obligations depends on our financial condition and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. We may not be able to maintain such a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness, including the notes.

If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure or refinance our indebtedness, including the notes. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments and the indentures governing the notes may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest and principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our credit rating, which could harm our ability to incur additional indebtedness. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations.

The covenants in our senior secured credit facilities, the indenture governing our 7.25% senior notes and the indenture governing the notes impose significant operating and financial restrictions on us.

The senior secured credit facilities, the indenture governing our 7.25% senior notes and the indenture governing the notes impose significant operating and financial restrictions on us. These restrictions limit our ability and the ability of our restricted subsidiaries, among other things, to:

- incur additional debt and provide additional guarantees;
- pay dividends and make other restricted payments, including certain investments;
- create or permit certain liens;
- make certain asset sales;
- use the proceeds from the sales of assets and subsidiary stock;
- create or permit restrictions on the ability of our restricted subsidiaries to pay dividends or make other distributions to us;
- engage in certain transactions with affiliates;
- enter into sale and leaseback transactions; and
- consolidate, merge or transfer all or substantially all of our assets or the assets of our restricted subsidiaries.

In addition, under the ABL Facility, if our excess availability under the ABL Facility is less than 10% of the lender commitments under the ABL Facility or less than 10% of our borrowing base, we are required to maintain a minimum fixed charge coverage ratio of at least 1 to 1. As of June 30, 2009, our fixed charge coverage ratio was less than 1 to 1 and our excess availability was $299 million, or 37% of the lender commitments under the ABL Facility. Following the completion of the offering of the old notes, we used approximately $81 million of the proceeds plus additional cash on hand to repay a portion of the outstanding amount under the ABL Facility.

If we default on our obligations to pay our other indebtedness, we may not be able to make payments on the notes.

Any default under the agreements governing our indebtedness, including a default under our senior secured credit facilities, that is not waived by the required lenders or holders of such indebtedness, and the remedies sought by the holders of such indebtedness, could prevent us from paying principal, premium, if any, and interest on the notes and substantially decrease the market value of the notes. If we are unable to generate sufficient cash flow or are otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, and interest on our indebtedness, or if we otherwise fail to comply with the various covenants in the agreements governing our indebtedness, including the covenants contained in our senior secured credit facilities, we would be in default under the terms of the agreements governing such indebtedness. In the event of such default:

- the lenders under our senior secured credit facilities could elect to terminate their commitments thereunder, declare all the funds borrowed thereunder to be due and payable and, if not promptly paid, institute foreclosure proceedings against our assets;
- even if those lenders do not declare a default, they may be able to cause all of our available cash to be used to repay their loans; and
- such default could cause a cross-default or cross-acceleration under our other indebtedness, including our 7.25% senior notes.

As a result of such default and any actions the lenders may take in response thereto, we could be forced into bankruptcy or liquidation.

If our operating performance declines, we may in the future need to obtain waivers from the required lenders under our senior secured credit facilities to avoid being in default. If we breach our covenants under our senior secured credit facilities and seek a waiver, we may not be able to obtain a waiver from the required lenders. If this occurs, we could be in default under our senior secured credit facilities, the lenders could exercise their rights, as described above, and we could be forced into bankruptcy or liquidation.

We are a holding company and depend on our subsidiaries to generate sufficient cash flow to meet our debt service obligations, including payments on the notes.

We are a holding company and a large portion of our assets is the capital stock of our subsidiaries and the equity interests in our joint ventures. As a holding company, we conduct substantially all of our business through our subsidiaries and joint ventures. Consequently, our cash flow and ability to service our debt obligations, including the notes, are dependent upon the earnings of our subsidiaries and joint ventures and the distribution of those earnings to us, or upon loans, advances or other payments made by these entities to us. The ability of these entities to pay dividends or make other loans, advances or payments to us will depend upon their operating results and will be subject to applicable laws and contractual restrictions contained in the instruments governing their debt, and we may not exercise sufficient control to cause distributions to be made to us. Although our senior secured credit facilities, the indenture governing our 7.25% senior notes and the indenture governing the notes each limits the ability of our restricted subsidiaries to enter into consensual restrictions on their ability to pay dividends and make other payments to us, these limitations do not apply to our existing joint ventures or unrestricted subsidiaries and the limitations are also subject to important exceptions and qualifications.

The ability of our subsidiaries to generate sufficient cash flow from operations to allow us to make scheduled payments on our debt obligations, including the notes, will depend on their future financial performance, which will be affected by a range of economic, competitive and business factors, many of which are outside of our control. We cannot assure you that the cash flow and earnings of our operating subsidiaries and the amount that they are able to distribute to us as dividends or otherwise will be adequate for us to service our debt obligations, including the notes. If our subsidiaries do not generate sufficient cash flow from operations to satisfy our debt obligations, including payments on the notes, we may have to undertake alternative financing plans, such as refinancing or restructuring our debt, selling assets, reducing or delaying capital investments or seeking to raise additional capital. We cannot assure you that any such alternative refinancing would be possible, that any assets could be sold, or, if sold, of the timing of the sales and the amount of proceeds realized from those sales, that additional financing could be obtained on acceptable terms, if at all, or that additional financing would be permitted under the terms of our various debt instruments then in effect. Our inability to generate sufficient cash flow to satisfy our debt obligations, or to refinance our obligations on commercially reasonable terms, would have an adverse effect on our business, financial condition, results of operations and cash flow, as well as on our ability to satisfy our obligations on the notes.

Your right to receive payments on the notes is effectively junior in right of payment to all existing and future secured indebtedness of ours or the guarantors up to the value of the collateral securing such indebtedness.

Our obligations under the notes are unsecured. The notes are effectively junior to all existing and future secured indebtedness of ours or the guarantors up to the value of the collateral securing such indebtedness. For example, the notes and the related guarantees effectively rank junior to $1.4 billion of secured debt under our senior secured credit facilities at June 30, 2009 (and up to an additional $299 million available under our ABL Facility that we may borrow thereunder from time to time), which debt is secured by our assets and the assets of our principal subsidiaries. Following the completion of the offering of the old notes, we used approximately $81 million of the proceeds plus additional cash on hand to repay a portion of the outstanding amount under the ABL Facility. Although the indenture contains restrictions on our ability and the ability of our restricted subsidiaries to create or incur liens to secure indebtedness, these restrictions are subject to important limitations and exceptions that permit us to secure a substantial amount of additional indebtedness. Accordingly, in the event of a bankruptcy, liquidation or reorganization affecting us or any guarantors, your rights to receive payment will be effectively subordinated to those of secured creditors up to the value of the

collateral securing such indebtedness. Holders of the notes will participate ratably with all holders of our unsecured indebtedness that is deemed to be of the same class as the notes, and potentially with all of our other general creditors, based upon the respective amounts owed to each holder or creditor, in our remaining assets. In any of the foregoing events, we cannot assure you that there will be sufficient assets to pay amounts due on the notes. As a result, holders of the notes may receive less, ratably, than holders of secured indebtedness. In addition, if the secured lenders were to declare a default with respect to their loans and enforce their rights with respect to their collateral, there can be no assurance that our remaining assets would be sufficient to satisfy our other obligations, including our obligations with respect to the notes.

Your right to receive payments on the notes could be adversely affected if any of our non-guarantor subsidiaries declares bankruptcy, liquidate or reorganize.

Some, but not all, of our subsidiaries guarantee the notes. As a result, you are creditors of only our company and our subsidiaries that do guarantee the notes. In the case of subsidiaries that are not guarantors, all the existing and future liabilities of those subsidiaries, including any claims of trade creditors, debtholders and preferred stockholders, are effectively senior to the notes and related guarantees. Subject to limitations in the senior secured credit facilities, the indenture governing the 7.25% senior notes and the indenture governing the notes, non-guarantor subsidiaries may incur additional indebtedness in the future (and may incur other liabilities without limitation). In the event of a bankruptcy, liquidation or reorganization of any of our non-guarantor subsidiaries, their creditors will generally be entitled to payment of their claims from the assets of those subsidiaries before any assets are made available for distribution to us. For the year ended March 31, 2009 and the three months ended June 30, 2009, our subsidiaries that will not be guarantors of the notes had sales and operating revenues of $2.6 billion and $0.6 billion, respectively, and, as of June 30, 2009, those subsidiaries had assets of $1.4 billion and debt and other liabilities of $1.0 billion (including inter-company balances).

We may be unable to repurchase the notes upon a change of control.

Upon the occurrence of specific kinds of change of control events, we will be required to offer to repurchase all outstanding notes and the 7.25% senior notes. The source of funds for any such purchase of the notes and the 7.25% senior notes will be our available cash or cash generated from our subsidiaries' operations or other sources, including borrowings, sales of assets or sales of equity. We may not be able to repurchase the notes or the 7.25% senior notes upon a change of control because we may not have sufficient financial resources to repurchase all such notes that are tendered upon a change of control. Accordingly, we may not be able to satisfy our obligations to repurchase the notes and the 7.25% senior notes unless we are able to refinance or obtain waivers under our senior secured credit facilities. Our failure to repurchase the notes upon a change of control would cause a default under the indenture governing the notes and the indenture governing our 7.25% senior notes and a cross default under our senior secured credit facilities.

Also, we can not assure you that a repurchase of the notes following such a change in control would be permitted pursuant to any of our indebtedness agreements that would be in effect at the time of such change in control, which could cause our other indebtedness to be accelerated. Our senior secured credit facilities provide that certain change of control events will constitute a default that permits lenders to accelerate the maturity of borrowings thereunder. If we cannot obtain a waiver of such default or seek to refinance such indebtedness, this could result in the acceleration of such indebtedness. Any future indebtedness agreement may contain similar provisions. If such indebtedness were to be accelerated, we may not have sufficient funds to repurchase the notes and repay such indebtedness.

In addition, the change of control provision and other covenants in the indenture governing the notes do not cover all corporate reorganizations, mergers, amalgamations or similar transactions and may not provide you with protection in a transaction, including a highly leveraged transaction, unless such transaction constitutes a change of control under the indenture governing the notes.

Most of the covenants in the indenture will be suspended during any future period that we have an investment grade rating from one rating agency, and during any such period you will not have the benefit of those covenants. In addition, certain covenants will be terminated if we have an investment grade rating from both rating agencies.

Most of the covenants in the indenture governing the notes, as well as our obligation to offer to repurchase notes following certain asset sales or upon a change of control, will be suspended if the notes obtain an investment grade rating from either one of Moody's or Standard & Poor's and we are not in default under the indenture. If such a suspension occurs, the protections afforded to you by the covenants that have been suspended will not be restored until the investment grade rating assigned by either Moody's or Standard & Poor's, as the case may be, to the notes should subsequently decline and as a result the notes do not carry an investment grade rating from one rating agency. In addition, most of these covenants, as well as our obligation to offer to repurchase notes following certain asset sales or upon a change of control, will be terminated permanently if at any time the notes receive an investment grade rating from both Moody's and Standard & Poor's and we are not in default under the indenture. If this termination occurs, the protections afforded to you by the terminated covenants will not be later restored, regardless of any subsequent change in the notes' ratings. See "Description of the Notes — Certain Covenants — Covenant Termination and Suspension."

Changes in our credit ratings or the financial and credit markets could adversely affect the market prices of the notes.

The future market prices of the notes will be affected by a number of factors, including:

- our ratings with major credit rating agencies;
- the prevailing interest rates being paid by companies similar to us; and
- the overall condition of the financial and credit markets.

The condition of the financial and credit markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future. These fluctuations could have an adverse effect on the trading prices of the notes. In addition, credit rating agencies continually revise their ratings for companies that they follow, including us. We cannot assure you that credit rating agencies will continue to rate the notes or that they will maintain their ratings on the notes. The withdrawal of a rating for a negative change in our rating could have an adverse effect on the market prices of the notes.

Fraudulent conveyance laws and other legal restrictions may permit courts to void or subordinate our subsidiaries' guarantees of the notes in specific circumstances, which would prevent or limit payment under the guarantees. Certain limitations contained in the guarantees, which are designed to avoid this result, may render the guarantees worthless.

The notes are guaranteed by a number of our subsidiaries. Federal, state and foreign statutes may allow courts, under specific circumstances, to void or subordinate any or all of our subsidiaries' guarantees of the notes. If any guarantees are voided or subordinated, our noteholders might be required to return payments received from our subsidiaries. The criteria for application of such fraudulent conveyance and other statutes vary, but, in general, under United States federal bankruptcy law, comparable provisions of state fraudulent conveyance laws and applicable Canadian federal or provincial law, a guarantee could be set aside or subordinated if, among other things, the guarantor, at the time it provided the guarantee:

- incurred the guarantee with the intent of hindering, defeating, delaying or defrauding current or future creditors or of giving one creditor a preference over others; or
- received less than reasonably equivalent value or fair consideration for incurring the guarantee, and
    - was insolvent, on the eve of insolvency, or was rendered insolvent by reason of the incurrence of the guarantee;

- was engaged, or about to engage, in a business or transaction for which the assets remaining with it constituted unreasonably small capital to carry on such business;
- intended to incur, or believed that it would incur, debts beyond its ability to pay as those debts matured; or
- was a defendant in an action for money damages, or had a judgment for money damages entered against it, if, in either case, after final judgment the judgment was unsatisfied.

Under certain Canadian federal and provincial statutes, a rebuttable presumption of the guarantor's intent to prefer one creditor or hinder another may arise depending on the period of time that has elapsed between the assumption of the guarantee and the date of the guarantor's insolvency.

A court would likely find that a guarantor did not receive reasonably equivalent value or fair consideration for its guarantee if such guarantor did not substantially benefit directly or indirectly from the issuance of its guarantee. As a general matter, value is given for an obligation if, in exchange for the obligation, property is transferred or an antecedent debt is secured or satisfied.

The definition and test for insolvency will vary depending upon the law of the jurisdiction that is being applied. Generally, however, a guarantor would be considered insolvent if, at the time the guarantor provided the guarantee:

- the sum of its debts and liabilities, including contingent liabilities, was greater than its assets at fair valuation;
- the present fair saleable value of its assets was less than the amount required to pay the probable liability on its total existing debts and liabilities, including contingent liabilities, as they became absolute and matured; or
- it could not pay its debts generally as they become due.

The tests for fraudulent conveyance, including the criteria for insolvency, will vary depending upon the law of the jurisdiction that is being applied. We cannot be sure which tests and standards a court would apply to determine whether or not the guarantors were solvent at the relevant time or, regardless of the tests and standards, whether the issuance of the guarantee would be voided or subordinated to the guarantor's other debt.

If a court were to find that the incurrence of the guarantee was a fraudulent transfer or conveyance, the court could void the payment obligations under such guarantee or further subordinate such guarantee to presently existing and future indebtedness of the related guarantor, or require the holders of the notes to repay any amounts received with respect to such guarantee.

Although each guarantee entered into by a subsidiary will contain a provision intended to limit that guarantor's liability to the maximum amount that it could incur without causing the incurrence of obligations under its guarantee to be a fraudulent transfer, this provision may not be effective to protect those guarantees from being voided under fraudulent transfer law, or may reduce that guarantor's obligation to an amount that effectively makes its guarantee worthless.

U.S. investors in the notes may have difficulties enforcing civil liabilities.

We are incorporated in Canada under the CBCA. Our registered office, as well as a substantial portion of our assets, is located outside the United States. Also, some of our directors, controlling persons and officers and some of the experts named in this prospectus reside in Canada or other jurisdictions outside the United States and all or a substantial portion of their assets are located outside the United States. We have agreed in the indenture governing the notes to accept service of process in New York City, by an agent designated for such purpose, with respect to any suit, action or proceeding relating to the indenture or the notes that is brought in any federal or state court located in New York City, and to submit to the jurisdiction of such courts in connection with such suits, actions or proceedings. However, it may be difficult for holders of notes to effect service of process in the United States on our directors, controlling persons, officers and the experts

named in this prospectus who are not residents of the United States or to enforce against them in the United States judgments of courts of the United States predicated upon the civil liability provisions of the United States federal securities laws. In addition, there is doubt as to the enforceability in Canada against us or against our directors, controlling persons, officers and experts named in this prospectus who are not residents of the United States, in original actions or in actions for enforcement of judgments of United States courts, of liabilities predicated solely upon United States federal securities laws.

Canadian bankruptcy and insolvency laws may impair the enforcement of remedies under the notes.

The rights of the trustee under the indenture governing the notes to enforce remedies could be significantly impaired by the restructuring provisions of applicable Canadian federal bankruptcy, insolvency and other restructuring legislation if the benefit of such legislation is sought with respect to us. For example, both the Bankruptcy and Insolvency Act (Canada) and the Companies' Creditors Arrangement Act (Canada) contain provisions enabling an insolvent person to obtain a stay of proceedings against its creditors and others and to prepare and file a proposal to be voted on by the various classes of its affected creditors. A restructuring proposal, if accepted by the requisite majorities of each affected class of creditors, and if approved by the relevant Canadian court, would be binding on all creditors within each affected class whether or not such creditor voted to accept the proposal. Moreover, this legislation permits the insolvent debtor to retain possession and administration of its property, subject to court oversight, even though it may be in default under the applicable debt instrument during the period the stay against proceedings remains in place.

The powers of the court under the Bankruptcy and Insolvency Act (Canada) and particularly under the Companies' Creditors Arrangement Act (Canada) have been exercised broadly to protect a restructuring entity from actions taken by creditors and other parties. Accordingly, we cannot predict whether payments under the notes would be made during any proceedings in bankruptcy, insolvency or other restructuring, whether or when the trustee for the notes could exercise its rights under the notes indenture or whether, and to what extent, holders of notes would be compensated for any delays in payment, if any, of principal, interest and costs, including the fees and disbursements of the trustee for the notes.

Risks Related to the Exchange Offer

If you do not exchange your old notes for new notes, your ability to sell your old notes will be restricted.

If you do not exchange your old notes for new notes in the exchange offer, you will continue to be subject to the restrictions on transfer described in the legend on your old notes. The new notes, like the old notes, will remain subject to restrictions on resale in Canada. The restrictions on transfer of your old notes arise because we issued the old notes in a transaction not subject to the registration requirements of the Securities Act and applicable state securities laws. In general, you may only offer to sell the old notes if they are registered under the Securities Act and applicable state securities laws or offered or sold pursuant to an exemption from those requirements. If you are still holding any old notes after the expiration date of the exchange offer and the exchange offer has been consummated, you will not be entitled to have those old notes registered under the Securities Act or to any similar rights under the registration rights agreement, subject to limited exceptions, if applicable. After the exchange offer is completed, we will not be required, and we do not intend, to register the old notes under the Securities Act. In addition, if you do exchange your old notes in the exchange offer for the purpose of participating in a distribution of the new notes, you may be deemed to have received restricted securities and, if so, will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction. To the extent old notes are tendered and accepted in the exchange offer, the trading market, if any, for the old notes would be adversely affected.

Your ability to transfer the new notes may be limited by the absence of an active trading market, and there is no assurance that any active trading market will develop for the new notes.

There is no established public market for the new notes. We do not intend to list the new notes on any securities exchange or automated quotation system. We cannot assure you that an active market for the new

notes will develop or, if developed, that it will continue. Historically, the market for non-investment grade debt, such as the new notes, has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the new notes. We cannot assure you that the market, if any, for the new notes will be free from similar disruptions, and any such disruptions may adversely affect the prices at which you may sell your new notes.

The old notes were issued with original issue discount for U.S. federal income tax purposes and consequently the new notes will be treated as issued with original issue discount for U.S. federal income tax purposes.

The old notes were issued with original issue discount equal to the excess of the stated principal amount of the notes over the issue price. Consequently, the new notes will be treated as issued with original issue discount for U.S. federal income tax purposes, and U.S. holders will be required to include original issue discount in gross income on a constant yield to maturity basis in advance of receipt of cash payment thereof. See "Principal Canadian and U.S. Federal Income Tax Consequences of the Exchange Offer — Certain U.S. Federal Income Tax Consequences of the Exchange Offer."

THE EXCHANGE OFFER

Purpose of the Exchange Offer

We have entered into a registration rights agreement with the initial purchasers of the old notes, in which we agreed to file a registration statement with the SEC relating to an offer to exchange the old notes for new notes. The registration statement of which this prospectus forms a part was filed in compliance with this obligation. We also agreed to use our commercially reasonable efforts to cause a registration statement to be declared effective under the Securities Act by August 11, 2010, to offer the new notes in exchange for the old notes as soon as practicable after the effectiveness of the registration statement and to keep the exchange offer open for not less than 30 days after the date notice of the exchange offer is mailed to holders of the old notes. If we do not comply with certain of our obligations under the registration rights agreement, we will incur additional interest expense. The new notes will have terms substantially identical to the old notes except that the new notes will not contain terms with respect to transfer restrictions in the United States and registration rights and additional interest payable for the failure to comply with certain obligations. Old notes in an aggregate principal amount of $185,000,000 were issued on August 11, 2009.

Under the circumstances set forth below, we will promptly file a shelf registration statement with the SEC covering resales of the old notes or the new notes, as the case may be, use our commercially reasonable efforts to cause the shelf registration statement to be declared effective under the Securities Act and use our commercially reasonable efforts to keep the shelf registration statement effective until the earliest of (i) the time when the notes covered by the registration statement can be sold pursuant to Rule 144A under the Securities Act without any limitations, (ii) August 11, 2011 and (iii) the date on which all notes registered under the shelf registration statement are disposed of in accordance therewith. These circumstances include:

- applicable interpretations of the staff of the SEC do not permit us to effect the exchange offer;
- for any other reason we do not consummate the exchange offer by August 11, 2010;
- any initial purchaser so requests with respect to the old notes that are not eligible to be exchanged for new notes in the exchange offer and held by it following consummation of the exchange offer; or
- certain holders are not eligible to participate in the exchange offer or may not resell the new notes acquired by them in the exchange offer to the public without delivering a prospectus.

Each holder of old notes that wishes to exchange such old notes for transferable new notes in the exchange offer will be required to make the following representations:

- any new notes to be received by it will be acquired in the ordinary course of its business;
- it has no arrangement or understanding with any person to participate in the distribution (within the meaning of Securities Act) of the new notes;
- it is not our “affiliate,” as defined in Rule 405 under the Securities Act, or, if it is an affiliate, that it will comply with applicable registration and prospectus delivery requirements of the Securities Act; and
- if such holder is not a broker-dealer, that it is not engaged in, and does not intend to engage in, the distribution of the new notes; and
- if such holder is a broker-dealer that will receive new notes for its own account in exchange for old notes that were acquired by such broker-dealer as a result of market-making activities or other trading activities, that it will deliver a prospectus in connection with any resale of such new notes.

In addition, each broker-dealer that receives new notes for its own account in exchange for old notes, where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must, in the absence of an exemption, comply with the registration and prospectus delivery requirements of the Securities Act in connection with secondary resales of new notes and cannot rely on the position of the SEC staff set forth in “Exxon Capital Holdings Corporation,” “Morgan Stanley & Co., Incorporated” or similar no-action letters. See “Plan of Distribution.”

Resale of New Notes

Based on interpretations of the SEC staff set forth in no-action letters issued to unrelated third parties, we believe that new notes issued in the exchange offer in exchange for old notes may be offered for resale, resold and otherwise transferred by any exchange note holder without compliance with the registration and prospectus delivery provisions of the Securities Act, if:

- such holder is not an "affiliate" of ours within the meaning of Rule 405 under the Securities Act;
- such new notes are acquired in the ordinary course of the holder's business; and
- the holder does not intend to participate in the distribution of such new notes.

Any holder who tenders in the exchange offer with the intention of participating in any manner in a distribution of the new notes:

- cannot rely on the position of the staff of the SEC set forth in "Exxon Capital Holdings Corporation" or similar interpretive letters; and
- must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction.

If, as stated above, a holder cannot rely on the position of the staff of the SEC set forth in "Exxon Capital Holdings Corporation" or similar interpretive letters, any effective registration statement used in connection with a secondary resale transaction must contain the selling security holder information required by Item 507 of Regulation S-K under the Securities Act.

This prospectus may be used for an offer to resell, for the resale or for other retransfer of new notes only as specifically set forth in this prospectus. With regard to broker-dealers, only broker-dealers that acquired the old notes as a result of market-making activities or other trading activities may participate in the exchange offer. Each broker-dealer that receives new notes for its own account in exchange for old notes, where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of the new notes. Please read the section captioned "Plan of Distribution" for more details regarding these procedures for the transfer of new notes. We have agreed that, for a period of 180 days after the exchange offer is consummated, we will make this prospectus available to any broker-dealer for use in connection with any resale of the new notes.

Terms of the Exchange Offer

Upon the terms and subject to the conditions set forth in this prospectus, we will accept for exchange any old notes properly tendered and not withdrawn prior to the expiration date. We will issue $2,000 principal amount of new notes in exchange for each $2,000 principal amount of old notes surrendered under the exchange offer. We will issue $1,000 integral multiple amount of new notes in exchange for each $1,000 integral multiple amount of old notes surrendered under the exchange offer. Old notes may be tendered only in denominations of $2,000 and integral multiples of $1,000 in excess thereof.

The form and terms of the new notes will be substantially identical to the form and terms of the old notes except the new notes will be registered under the Securities Act, will not bear legends restricting their transfer in the United States and will not provide for any additional interest upon our failure to fulfill our obligations under the registration rights agreement to file, and cause to become effective, a registration statement. The new notes will evidence the same debt as the old notes. The new notes will be issued under and entitled to the benefits of the same indenture that authorized the issuance of the outstanding old notes. Consequently, both series of notes will be treated as a single class of debt securities under the indenture.

The exchange offer is not conditioned upon any minimum aggregate principal amount of old notes being tendered for exchange.

As of the date of this prospectus, $185,000,000 aggregate principal amount of the old notes are outstanding. There will be no fixed record date for determining registered holders of old notes entitled to participate in the exchange offer.

We intend to conduct the exchange offer in accordance with the provisions of the registration rights agreement, the applicable requirements of the Securities Act and the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations of the SEC. Old notes that are not tendered for exchange in the exchange offer will remain outstanding and continue to accrue interest and will be entitled to the rights and benefits such holders have under the indenture relating to the old notes.

We will be deemed to have accepted for exchange properly tendered old notes when we have given oral or written notice of the acceptance to the exchange agent. The exchange agent will act as agent for the tendering holders for the purposes of receiving the new notes from us and delivering new notes to such holders. Subject to the terms of the registration rights agreement, we expressly reserve the right to amend or terminate the exchange offer, and not to accept for exchange any old notes not previously accepted for exchange, upon the occurrence of any of the conditions specified below under the caption "— Certain Conditions to the Exchange Offer."

Holders who tender old notes in the exchange offer will not be required to pay brokerage commissions or fees, or transfer taxes with respect to the exchange of old notes. We will pay all charges and expenses, other than those transfer taxes described below, in connection with the exchange offer. It is important that you read the section labeled "— Fees and Expenses" below for more details regarding fees and expenses incurred in the exchange offer.

Pursuant to the terms of the registration rights agreement, we are not required to make a registered exchange offer in any province or territory of Canada or to accept old notes surrendered by residents of Canada in the registered exchange offer unless the distribution of new notes pursuant to such offer can be effected pursuant to exemptions from the registration and prospectus requirements of the applicable securities laws of such province or territory and, as a condition to the exchange of the old notes pursuant to a registered exchange offer, such holders of old notes in Canada are required to make certain representations to us, including a representation that they are entitled under the applicable securities laws of such province or territory to acquire the new notes without the benefit of a prospectus qualified under such securities laws.

We are relying on exemptions from applicable Canadian provincial securities laws to offer the new notes. The new notes may not be sold directly or indirectly in Canada except in accordance with applicable securities laws of the provinces and territories of Canada. We are not required, and do not intend, to qualify the new notes by prospectus in Canada, and accordingly, the new notes will be subject to restrictions on resale in Canada.

Expiration Date; Extensions; Amendments

The exchange offer for the old notes will expire at 5:00 p.m., New York City time, on , 2009, unless we extend the exchange offer in our sole and absolute discretion.

In order to extend the exchange offer, we will notify the exchange agent orally or in writing of any extension. We will notify in writing or by public announcement the registered holders of old notes of the extension no later than 9:00 a.m., New York City time, on the business day after the previously scheduled expiration date.

We reserve the right, in our sole discretion:

- to delay accepting for exchange any old notes in connection with the extension of the exchange offer;
- to extend the exchange offer or to terminate the exchange offer and to refuse to accept old notes not previously accepted if any of the conditions set forth below under "— Conditions to the Exchange Offer" have not been satisfied, by giving oral or written notice of such delay, extension or termination to the exchange agent; or

- subject to the terms of the registration rights agreement, to amend the terms of the exchange offer in any manner, provided that in the event of a material change in the exchange offer, including the waiver of a material condition, we will extend the exchange offer period, if necessary, so that at least five business days remain in the exchange offer following notice of the material change.

Any such delay in acceptance, extension, termination or amendment will be followed as promptly as practicable by written notice or public announcement thereof to the registered holders of old notes. If we amend the exchange offer in a manner that we determine to constitute a material change, we will promptly disclose such amendment in a manner reasonably calculated to inform the holders of old notes of such amendment, provided that in the event of a material change in the exchange offer, including the waiver of a material condition, we will extend the exchange offer period, if necessary, so that at least five business days remain in the exchange offer following notice of the material change. If we terminate this exchange offer as provided in this prospectus before accepting any old notes for exchange or if we amend the terms of this exchange offer in a manner that constitutes a fundamental change in the information set forth in the registration statement of which this prospectus forms a part, we will promptly file a post-effective amendment to the registration statement of which this prospectus forms a part. In addition, we will in all events comply with our obligation to make prompt payment for all old notes properly tendered and accepted for exchange in the exchange offer.

Without limiting the manner in which we may choose to make public announcements of any delay in acceptance, extension, termination or amendment of the exchange offer, we shall have no obligation to publish, advertise, or otherwise communicate any such public announcement, other than by issuing a timely press release to a financial news service.

Conditions to the Exchange Offer

Despite any other term of the exchange offer, we will not be required to accept for exchange, or exchange any new notes for, any old notes, and we may terminate the exchange offer as provided in this prospectus before accepting any old notes for exchange if in our reasonable judgment:

- the exchange offer, or the making of any exchange by a holder of old notes, would violate applicable law or any applicable interpretation of the staff of the SEC; or
- any action or proceeding has been instituted or threatened in any court or by or before any governmental agency with respect to the exchange offer that, in our judgment, would reasonably be expected to impair our ability to proceed with the exchange offer.

In addition, we will not be obligated to accept for exchange the old notes of any holder that has not made:

- the representations described under "— Purpose of the Exchange Offer," "— Exchange Offer Procedures" and "Plan of Distribution;" and
- such other representations as may be reasonably necessary under applicable SEC rules, regulations or interpretations to make available to us an appropriate form for registration of the new notes under the Securities Act.

We expressly reserve the right, at any time or at various times on or prior to the scheduled expiration date of the exchange offer, to extend the period of time during which the exchange offer is open. Consequently, we may delay acceptance of any old notes by giving written notice of such extension to the registered holders of the old notes. During any such extensions, all old notes previously tendered will remain subject to the exchange offer, and we may accept them for exchange unless they have been previously withdrawn. We will return any old notes that we do not accept for exchange for any reason without expense to their tendering holder promptly after the expiration or termination of the exchange offer.

We expressly reserve the right to amend or terminate the exchange offer on or prior to the scheduled expiration date of the exchange offer, and to reject for exchange any old notes not previously accepted for exchange, upon the occurrence of any of the conditions to termination of the exchange offer specified above.

We will give written notice or public announcement of any extension, amendment, non-acceptance or termination to the registered holders of the old notes as promptly as practicable. In the case of any extension, such notice will be issued no later than 9:00 a.m., New York City time on the business day after the previously scheduled expiration date.

These conditions are for our sole benefit and we may, in our sole discretion, assert them regardless of the circumstances that may give rise to them or waive them in whole or in part at any or at various times except that all conditions to the exchange offer must be satisfied or waived by us prior to the expiration of the exchange offer. If we fail at any time to exercise any of the foregoing rights, that failure will not constitute a waiver of such right. Each such right will be deemed an ongoing right that we may assert at any time or at various times prior to the expiration of the exchange offer. Any waiver by us will be made by written notice or public announcement to the registered holders of the notes and any such waiver shall apply to all the registered holders of the notes.

In addition, we will not accept for exchange any old notes tendered, and will not issue new notes in exchange for any such old notes, if at such time any stop order is threatened or in effect with respect to the registration statement of which this prospectus constitutes a part or the qualification of the indenture under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act").

Exchange Offer Procedures

Only a holder of old notes may tender such old notes in the exchange offer. If you are a DTC participant that has old notes which are credited to your DTC account by book-entry and which are held of record by DTC's nominee, as applicable, you may tender your old notes by book-entry transfer as if you were the record holder. Because of this, references herein to registered or record holders include DTC.

If you are not a DTC participant, you may tender your old notes by book-entry transfer by contacting your broker, dealer or other nominee or by opening an account with a DTC participant, as the case may be.

To tender old notes in the exchange offer:

- You must comply with DTC's Automated Tender Offer Program ("ATOP") procedures described below;
- The exchange agent must receive a timely confirmation of a book-entry transfer of the old notes into its account at DTC through ATOP pursuant to the procedure for book-entry transfer described below, along with a properly transmitted agent's message, before the expiration date.

Participants in DTC's ATOP program must electronically transmit their acceptance of the exchange by causing DTC to transfer the old notes to the exchange agent in accordance with DTC's ATOP procedures for transfer. DTC will then send an agent's message to the exchange agent. With respect to the exchange of the old notes, the term "agent's message" means a message transmitted by DTC, received by the exchange agent and forming part of the book-entry confirmation, which states that:

- DTC has received an express acknowledgment from a participant in its ATOP that is tendering old notes that are the subject of the book-entry confirmation;
- the participant has received and agrees to be bound by the terms and subject to the conditions set forth in this prospectus; and
- we may enforce the agreement against such participant.

Delivery of an agent's message will also constitute an acknowledgment from the tendering DTC participant that the representations described below in this prospectus are true and correct.

In addition, each broker-dealer that receives new notes for its own account in exchange for old notes, where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. See "Plan of Distribution."

Guaranteed Delivery Procedures

If you desire to tender outstanding notes pursuant to the exchange offer and (1) time will not permit your letter of transmittal, certificates representing such outstanding notes and all other required documents to reach the exchange agent on or prior to the expiration date, or (2) the procedures for book-entry transfer (including delivery of an agent's message) cannot be completed on or prior to the expiration date, you may nevertheless tender such notes with the effect that such tender will be deemed to have been received on or prior to the expiration date if all the following conditions are satisfied:

- you must effect your tender through an "eligible guarantor institution;"
- a properly completed and duly executed notice of guaranteed delivery, substantially in the form provided by us herewith, or an agent's message with respect to guaranteed delivery that is accepted by us, is received by the exchange agent on or prior to the expiration date as provided below; and
- a book-entry confirmation of the transfer of such notes into the exchange agent account at DTC as described above, together with a letter of transmittal (or a manually signed facsimile of the letter of transmittal) properly completed and duly executed, with any signature guarantees and any other documents required by the letter of transmittal or a properly transmitted agent's message, are received by the exchange agent within three New York Stock Exchange, Inc. trading days after the expiration date.

The notice of guaranteed delivery may be sent by hand delivery, facsimile transmission or mail to the exchange agent and must include a guarantee by an eligible guarantor institution in the form set forth in the notice of guaranteed delivery.

Book-Entry Transfer

The exchange agent will make a request to establish an account with respect to the old notes at DTC for purposes of the exchange offer promptly after the date of this prospectus; and any financial institution participating in DTC's system may make book-entry delivery of old notes by causing DTC to transfer such old notes into the exchange agent's account at DTC in accordance with DTC's procedures for transfer.

Withdrawal Rights

Except as otherwise provided in this prospectus, you may withdraw your tender of old notes at any time before 5:00 p.m., New York City time, on the expiration date.

To withdraw a tender of old notes in any exchange offer, the applicable exchange agent must receive a letter or facsimile notice of withdrawal at its address set forth below under "— Exchange agent" before the time indicated above. Any notice of withdrawal must:

- specify the name of the person who deposited the old notes to be withdrawn;
- identify the old notes to be withdrawn including the certificate number or numbers and aggregate principal amount of old notes to be withdrawn or, in the case of old notes transferred by book-entry transfer, the name and number of the account at DTC to be credited and otherwise comply with the procedures of the relevant book-entry transfer facility; and
- specify the name in which the old notes being withdrawn are to be registered, if different from that of the person who deposited the notes.

We will determine in our sole discretion all questions as to the validity, form and eligibility, including time of receipt, of notices of withdrawal. Our determination will be final and binding on all parties. Any old notes withdrawn in this manner will be deemed not to have been validly tendered for purposes of the exchange offer. We will not issue new notes for such withdrawn old notes unless the old notes are validly retendered. We will return to you any old notes that you have tendered but that we have not accepted for exchange without cost as soon as practicable after withdrawal, rejection of tender or termination of the exchange offer.

You may retender properly withdrawn old notes by following one of the procedures described above at any time before the expiration date.

Exchange Agent

We have appointed The Bank of New York Mellon Trust Company, N.A. as exchange agent for the exchange offer of old notes.

You should direct questions and requests for assistance and requests for additional copies of this prospectus to the exchange agent addressed as follows:

The Bank of New York Mellon
Corporate Trust Operations
Reorganization Unit
101 Barclay Street-7 East
New York, NY 10286
Attn: Mrs. Evangeline R. Gonzales
Tele: 212-815-3738
Facsimile: 212-298-1915

Fees and Expenses

We will bear the expenses of soliciting tenders. The principal solicitation is being made by mail, however, we may make additional solicitations by telegraph, telephone or in person by our officers and regular employees and those of our affiliates.

We have not retained any dealer-manager in connection with the exchange offer and will not make any payments to broker-dealers or others soliciting acceptances of the exchange offer. We will, however, pay the exchange agent reasonable and customary fees for its services and reimburse it for its related reasonable out-of-pocket expenses.

Our expenses in connection with the exchange offer include:

- SEC registration fees;
- fees and expenses of the exchange agent and trustee;
- accounting and legal fees and printing costs; and
- related fees and expenses.

Transfer Taxes

We will pay all transfer taxes, if any, applicable to the exchange of old notes under the exchange offer. The tendering holder, however, will be required to pay any transfer taxes, whether imposed on the registered holder or any other person, if:

- certificates representing old notes for principal amounts not tendered or accepted for exchange are to be delivered to, or are to be issued in the name of, any person other than the registered holder of old notes tendered; or
- a transfer tax is imposed for any reason other than the exchange of old notes under the exchange offer.

If satisfactory evidence of payment of such taxes is not submitted, the amount of such transfer taxes will be billed to that tendering holder.

Holders who tender their old notes for exchange will not be required to pay any transfer taxes. However, holders who instruct us to register new notes in the name of, or request that old notes not tendered or not accepted in the exchange offer be returned to, a person other than the registered tendering holder will be required to pay any applicable transfer tax.

Consequences of Failure to Exchange

Holders of old notes who do not exchange their old notes for new notes under the exchange offer, including as a result of failing to timely deliver old notes to the exchange agent, together with all required documentation, will remain subject to the restrictions on transfer of such old notes:

- as set forth in the legend printed on the old notes as a consequence of the issuance of the old notes pursuant to the exemptions from, or in transactions not subject to, the registration requirements of the Securities Act and applicable state securities laws; and
- otherwise as set forth in the offering circular distributed in connection with the private offering of the old notes.

In addition, you will no longer have any registration rights or be entitled to additional interest with respect to the old notes.

In general, you may not offer or sell the old notes unless they are registered under the Securities Act, or if the offer or sale is exempt from registration under the Securities Act and applicable state securities laws. Except as required by the registration rights agreement, we do not intend to register resales of the old notes under the Securities Act. Based on interpretations of the SEC staff, new notes issued pursuant to the exchange offer may be offered for resale, resold or otherwise transferred by their holders, other than any such holder that is our "affiliate" within the meaning of Rule 405 under the Securities Act, without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that the holders acquired the new notes in the ordinary course of the holders' business and the holders have no arrangement or understanding with respect to the distribution of the new notes to be acquired in the exchange offer. Any holder who tenders in the exchange offer for the purpose of participating in a distribution of the new notes:

- could not rely on the applicable interpretations of the SEC; and
- must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction.

After the exchange offer is consummated, if you continue to hold any old notes, you may have difficulty selling them because there will be fewer old notes outstanding.

Accounting Treatment

We will record the new notes in our accounting records at the same carrying value as the old notes, as reflected in our accounting records on the date of exchange. Accordingly, we will not recognize any gain or loss for accounting purposes in connection with the exchange offer.

Other

Participation in the exchange offer is voluntary, and you should carefully consider whether to accept. You are urged to consult your financial and tax advisors in making your own decision on what action to take.

We may in the future seek to acquire untendered old notes in the open market or privately negotiated transactions, through subsequent exchange offers or otherwise. We have no present plans to acquire any old notes that are not tendered in the exchange offer or to file a registration statement to permit resales of any untendered old notes.

USE OF PROCEEDS

This exchange offer is intended to satisfy our obligations under the registration rights agreement. We will not receive any proceeds from the exchange offer. You will receive, in exchange for old notes tendered by you and accepted by us in the exchange offer, new notes in the same principal amount. The old notes surrendered in exchange for the new notes will be retired and cancelled and cannot be reissued. Accordingly, the issuance of the new notes will not result in any increase of our outstanding debt.

SELECTED FINANCIAL DATA

Novelis Inc. was formed in Canada on September 21, 2004. On January 6, 2005, Alcan transferred its rolled products businesses to Novelis and distributed shares of Novelis to Alcan's shareholders. On May 15, 2007, we were acquired by Hindalco through its indirect wholly-owned subsidiary. We refer to the company prior to the Hindalco acquisition (through May 15, 2007) as the "Predecessor," and we refer to the company after the Hindalco acquisition (beginning on May 16, 2007) as the "Successor." On June 26, 2007, our board of directors approved the change of our fiscal year end to March 31 from December 31.

The selected consolidated financial data of the Successor presented below as of and for the three months ended June 30, 2009 and June 30, 2008 has been derived from the unaudited financial statements of Novelis Inc. included elsewhere in this prospectus. The results for the three months ended June 30, 2009 are not necessarily indicative of the results that may be expected for the entire year. The selected consolidated financial data of the Successor presented below as of and for the year ended March 31, 2009, as of March 31, 2008 and for the period May 16, 2007 through March 31, 2008 has been derived from the financial statements of Novelis Inc. included elsewhere in this prospectus. The selected consolidated financial data of the Predecessor presented below for the period April 1, 2007 through May 15, 2007, for the three months ended March 31, 2007, and for the year ended December 31, 2006 has been derived from the financial statements of Novelis Inc. included elsewhere in this prospectus.

Selected financial data of the Predecessor presented below as of March 31, 2007 and December 31, 2006 and as of and for the years ended December 31, 2005 and December 31, 2004 has been derived from the following audited financial statements of Novelis Inc. which are not included in this prospectus: the consolidated balance sheets for Novelis Inc. as of March 31, 2007 and December 31, 2007; the consolidated and combined statement of operations and statement of operations of Novelis Inc. for the year ended December 31, 2005; the combined statements of operations and statement of operations of Novelis Inc. for the year ended December 31, 2004; the consolidated balance sheets of Novelis Inc. as of December 31, 2006 and 2005; and the combined balance sheet of Novelis Inc. as of December 31, 2004.

The consolidated financial statements for the year ended December 31, 2005, include the results for the period from January 1 to January 5, 2005, prior to our spin-off from Alcan, in addition to the results for the period from January 6 to December 31, 2005. The combined financial results for the period from January 1 to January 5, 2005 present our operations on a carve-out accounting basis. The consolidated balance sheet as of December 31, 2005, and the consolidated results for the period from January 6 (the date of the spin-off from Alcan) to December 31, 2005, present our financial position, results of operations and cash flows as a stand-alone entity.

Our historical combined financial statements for the year ended December 31, 2004, have been derived from the accounting records of Alcan using the historical results of operations and historical basis of assets and liabilities of the businesses subsequently transferred to us. Management believes the assumptions underlying the historical combined financial statements are reasonable. However, the historical combined financial statements may not necessarily reflect what our results of operations, financial position and cash flows would have been had we been a stand-alone company during the periods presented.

The selected consolidated financial data should be read in conjunction with our financial statements for the respective periods included elsewhere in this prospectus and the related notes thereto.

(In millions, except per share amounts)	Year Ended December 31, 2004 Combined	Year Ended December 31, 2005(1) Predecessor	Year Ended December 31, 2006 Predecessor	Three Months Ended March 31, 2007 Predecessor	April 1, 2007 through May 15, 2007(2) Predecessor	May 16, 2007 through March 31, 2008(2) Successor	Year Ended March 31, 2009 Successor	Three Months Ended June 30, 2008 Successor	Three Months Ended June 30, 2009 Successor
Statement of Operations:									
Net sales	$ 7,755	$ 8,363	$ 9,849	$ 2,630	$ 1,281	$ 9,965	$ 10,177	$ 3,103	$ 1,960
Cost of goods sold (exclusive of depreciation and amortization shown below)	6,856	7,570	9,317	2,447	1,205	9,042	9,251	2,831	1,533
Selling, general and administrative expenses	289	352	410	99	95	319	319	84	78
Depreciation and amortization	246	230	233	58	28	375	439	116	100
Research and development expenses	58	41	40	8	6	46	41	12	8
Interest expense and amortization of debt issuance costs	74	203	221	54	27	191	182	45	43
Interest income	(26)	(9)	(15)	(4)	(1)	(18)	(14)	(5)	(3)
(Gain) loss on change in fair value of derivative instruments, net	(69)	(269)	(63)	(30)	(20)	(22)	556	(65)	(72)
Impairment of goodwill	—	—	—	—	—	—	1,340	—	—
Gain on extinguishment of debt	—	—	—	—	—	—	(122)	—	—
Restructuring charges, net	20	10	19	9	1	6	95	(1)	3
Equity in net (income) loss of non-consolidated affiliates	(6)	(6)	(16)	(3)	(1)	(25)	172	2	10
Other (income) expenses, net	82	17	(19)	47	35	(6)	86	23	(13)
	7,524	8,139	10,127	2,685	1,375	9,908	12,345	3,042	1,687
Income (loss) before income taxes	231	224	(278)	(55)	(94)	57	(2,168)	61	273
Income tax provision (benefit)	166	107	(4)	7	4	73	(246)	35	112
Net income (loss)	65	117	(274)	(62)	(98)	(16)	(1,922)	26	161
Net income (loss) attributable to noncontrolling interests	10	21	1	2	(1)	4	(12)	2	18
Net income (loss) before cumulative effect of accounting change	55	96	(275)	(64)	(97)	(20)	(1,910)	24	143
Cumulative effect of accounting change — net of tax	—	(6)	—	—	—	—	—	—	—
Net income (loss) attributable to our common shareholder	$ 55	$ 90	$ (275)	$ (64)	$ (97)	$ (20)	$ (1,910)	$ 24	$ 143
Comprehensive income (loss)	$ 86	$ (56)	$ (127)	$ (48)	$ (64)	$ 24	$ (2,157)	$ 45	$ 230
Dividends per common share	$ 0.00	$ 0.36	$ 0.20	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Balance Sheet Data (at period end)									
Total assets	$ 5,954	$ 5,476	$ 5,792	$ 5,970		$ 10,737	$ 7,567	$ 10,969	$ 7,580
Long-term debt (including current portion)	2,737	2,603	2,302	2,300		2,575	2,559	2,567	2,555
Short-term borrowings	541	27	133	245		115	264	430	237
Cash and cash equivalents	31	100	73	128		326	248	296	237
Shareholders'/invested equity(3)	555	433	195	175		3,523	1,419	3,569	1,738

(In millions, except per share amounts)	Year Ended December 31, 2004 Combined	Year Ended December 31, 2005(1) Predecessor	Year Ended December 31, 2006 Predecessor	Three Months Ended March 31, 2007 Predecessor	April 1, 2007 through May 15, 2007(2) Predecessor	May 16, 2007 through March 31, 2008(2) Successor	Year Ended March 31, 2009 Successor	Three Months Ended June 30, 2008 Successor	Three Months Ended June 30, 2009 Successor
Statement of Cash Flows Data:									
Net cash provided by (used in) operating activities	$ 208	$ 449	$ 16	$ (87)	$ (230)	$ 405	$ (236)	$ (351)	$ 258
Net cash provided by (used in) investing activities	726	325	193	2	2	(98)	(111)	16	(235)
Net cash provided by (used in) financing activities	(931)	(703)	(243)	140	201	(96)	286	309	(43)
Other Financial Data:									
Ratio of earnings to fixed charges(4)	3.8x	2.1x	—	—	—	1.2x	—	2.3x	7.3x

(1) All income earned and cash flows generated by us as well as the risks and rewards of these businesses from January 1 to January 5, 2005, were primarily attributed to us and are included in our consolidated results for the year ended December 31, 2005, with the exception of losses of $43 million ($29 million net of tax) arising from the change in fair market value of derivative contracts, primarily with Alcan. These mark-to-market losses for the period from January 1 to January 5, 2005, were recorded in the consolidated statement of operations for the year ended December 31, 2005, and were recognized as a decrease in Owner's net investment.

(2) The acquisition of Novelis by Hindalco on May 15, 2007 was recorded in accordance with SAB 103. In the accompanying consolidated balance sheets, the consideration and related costs paid by Hindalco in connection with the acquisition have been "pushed down" to us and have been allocated to the assets acquired and liabilities assumed in accordance with FASB 141. Due to the impact of push down accounting, our consolidated financial statements and certain note presentations for the year ended March 31, 2008, are presented in two distinct periods to indicate the application of two different bases of accounting between the periods presented: (1) the period up to, and including, the acquisition date (April 1, 2007, through May 15, 2007, labeled "Predecessor") and (2) the period after that date (May 16, 2007, through March 31, 2008, labeled "Successor"). The financial statements included elsewhere in this prospectus include a black line division which indicates that the Predecessor and Successor reporting entities shown are not comparable. The consideration paid by Hindalco to acquire Novelis has been pushed down to us and allocated to the assets acquired and liabilities assumed based on our estimates of fair value. This allocation of fair value results in additional charges or income to our post-acquisition consolidated statements of operations.

(3) Alcan's investment in the Novelis businesses as of December 31, 2004, includes the accumulated earnings of the businesses as well as cash transfers related to cash management functions performed by Alcan.

(4) Earnings consist of income from continuing operations before the cumulative effect of accounting changes, before fixed charges (excluding capitalized interest) and income taxes, and eliminating undistributed income of persons owned less than 50% by us. Fixed charges consist of interest expenses and amortization of debt discount and expense and premium and that portion of rental payments which is considered as being representative of the interest factor implicit in our operating leases. The ratios shown above are based on our consolidated and combined financial information, which was prepared in accordance with GAAP.

Due to losses incurred in each of the periods presented below, the ratio coverage was less than 1:1. The table below presents the amount of additional earnings required to bring the fixed charge ratio to 1:1 for each respective period.

(In millions)	Year Ended December 31, 2006 Predecessor	Three Months Ended March 31, 2007 Predecessor	April 1, 2007 through May 15, 2007 Predecessor	Year Ended March 31, 2009 Successor
Additional earnings required to bring fixed charge ratio to 1:1	$ 280	$ 57	$ 93	$ 1,996

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview and References

Novelis is the world's leading aluminum rolled products producer based on shipment volume. We produce aluminum sheet and light gauge products for the beverage and food can, transportation, construction and industrial, and foil products markets. As of June 30, 2009, we had operations in 11 countries on four continents: North America, Europe, Asia and South America, through 31 operating plants, one research facility and several market-focused innovation centers. In addition to aluminum rolled products plants, our South American businesses include bauxite mining, alumina refining, primary aluminum smelting and power generation facilities that are integrated with our rolling plants in Brazil. We are the only company of our size and scope focused solely on aluminum rolled products markets and capable of local supply of technologically sophisticated products in all of these geographic regions.

The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those discussed below and elsewhere in this prospectus, particularly in "Special Note Regarding Forward-Looking Statements and Market Data" and "Risk Factors."

Background and Basis of Presentation

On May 18, 2004, Alcan announced its intention to transfer its rolled products businesses into a separate company and to pursue a spin-off of that company to its shareholders. The spin-off occurred on January 6, 2005 following approval by Alcan's board of directors and shareholders, and legal and regulatory approvals. Alcan shareholders received one Novelis common share for every five Alcan common shares held.

Acquisition by Hindalco

On May 15, 2007, the company was acquired by Hindalco through its indirect wholly-owned subsidiary pursuant to the Arrangement at a price of $44.93 per share. The aggregate purchase price for all of the company's common shares was $3.4 billion, and $2.8 billion of Novelis' debt was also assumed for a total transaction value of $6.2 billion. Subsequent to completion of the Arrangement on May 15, 2007, all of our common shares were indirectly held by Hindalco.

As discussed in "Note 1 — Business and Summary of Significant Accounting Policies" to our Audited Financial Statements included elsewhere in this prospectus, the Arrangement was recorded in accordance with SAB 103. Accordingly, in the accompanying consolidated balance sheets, the consideration and related costs paid by Hindalco in connection with the acquisition have been "pushed down" to us and have been allocated to the assets acquired and liabilities assumed in accordance with FASB 141. Due to the impact of push down accounting, the company's consolidated financial statements and certain note presentations separate the company's presentation into two distinct periods to indicate the application of two different bases of accounting between the periods presented: (1) the periods up to, and including, the May 15, 2007 acquisition date (labeled "Predecessor") and (2) the periods after that date (labeled "Successor"). The financial statements included elsewhere in this prospectus include a black line division which indicates that the Predecessor and Successor reporting entities shown are not comparable.

Combined Financial Results of the Predecessor and Successor

For purposes of management's discussion and analysis of the results of operations in this prospectus, we combined the results of operations for the period ended May 15, 2007 of the Predecessor with the period ended March 31, 2008 of the Successor. We believe the combined results of operations for the year ended March 31, 2008 provide management and investors with a more meaningful perspective on Novelis' financial and operational performance than if we did not combine the results of operations of the Predecessor and the

Successor in this manner. Similarly, we combine the financial results of the Predecessor and the Successor when discussing segment information and sources and uses of cash for the year ended March 31, 2008.

The combined results of operations are non-GAAP financial measures, do not include any pro forma assumptions or adjustments and should not be used in isolation or substitution of the Predecessor's and the Successor's results. Shown below are combining schedules of (1) shipments and (2) our results of operations for periods allocable to the Successor, the Predecessor and the combined presentation for the year ended March 31, 2008 that we use throughout the discussion of results from operations.

Shipments (In kt):	May 16, 2007 through March 31, 2008 Successor	April 1, 2007 through May 15, 2007 Predecessor	Year Ended March 31, 2008 Combined
Rolled products(1)	2,640	348	2,988
Ingot products(2)	147	15	162
Total shipments	2,787	363	3,150

(1) Rolled products include tolling (the conversion of customer-owned metal).

(2) Ingot products include primary ingot in Brazil, foundry products in Korea and Europe, secondary ingot in Europe and other miscellaneous recyclable aluminum.

Results of Operations (In millions)	May 16, 2007 through March 31, 2008 Successor	April 1, 2007 through May 15, 2007 Predecessor	Year Ended March 31, 2008 Combined
Net sales	$ 9,965	$ 1,281	$ 11,246
Cost of goods sold (exclusive of depreciation and amortization shown below)	9,042	1,205	10,247
Selling, general and administrative expenses	319	95	414
Depreciation and amortization	375	28	403
Research and development expenses	46	6	52
Interest expense and amortization of debt issuance costs	191	27	218
Interest income	(18)	(1)	(19)
Gain on change in fair value of derivative instruments, net	(22)	(20)	(42)
Restructuring charges, net	6	1	7
Equity in net income of non-consolidated affiliates	(25)	(1)	(26)
Other (income) expenses, net	(6)	35	29
	9,908	1,375	11,283
Income (loss) before income taxes	57	(94)	(37)
Income tax provision	73	4	77
Net loss	(16)	(98)	(114)
Net income (loss) attributable to noncontrolling interests	4	(1)	3
Net loss attributable to our common shareholder	$ (20)	$ (97)	$ (117)

Change in Fiscal Year End

On June 26, 2007, our board of directors approved the change of our fiscal year end to March 31 from December 31. On June 28, 2007, we filed a Transition Report on Form 10-Q for the three month period ended March 31, 2007 with the SEC pursuant to Rule 13a-10 under the Exchange Act for transition period reporting.

Throughout Management's Discussion and Analysis of Financial Condition and Results of Operations ("Management's Discussion and Analysis"), data for all periods, except as of and for the year ended March 31, 2007, are derived from our financial statements included elsewhere in this prospectus. All data as of and for the year ended March 31, 2007 are derived from our unaudited condensed consolidated financial statements included in our transition period ended March 31, 2007 and our Quarterly Report on Form 10-Q for the period ended December 31, 2007.

Accompanying Financial Statements

We have included financial statements for the following periods elsewhere in this prospectus:

- *Unaudited Financial Statements:* the unaudited condensed consolidated financial statements of the Successor as of and for the three months ended June 30, 2009 and June 30, 2008 (the "Unaudited Financial Statements").
- *Audited Financial Statements:*
  - the audited consolidated financial statements of the Successor as of and for the year ended March 31, 2009, as of March 31, 2008 and for the period May 16, 2007, through March 31, 2008; and
  - the audited consolidated financial statements of the Predecessor for the period April 1, 2007 through May 15, 2007, for the three months ended March 31,2007, and for the year ended December 31, 2006 (the "Audited Financial Statements").

Highlights

Key factors that have recently impacted our business are discussed briefly below and are discussed in further detail throughout the Management's Discussion and Analysis and "Segment Review."

- We reported pre-tax income of $273 million for the first quarter of fiscal 2010, as compared to pre-tax income of $61 million for the first quarter of fiscal 2009. Results include $299 million of unrealized gains on derivatives as compared to $20 million in the prior year first quarter. The $299 million of unrealized gains includes a $224 million reversal of previously recognized losses upon settlement of derivatives and $75 million of unrealized gains relating to mark-to-market adjustments on metal and currency derivatives.
- We reported a Net loss attributable to our common shareholder of $1.9 billion for the year ended March 31, 2009, which includes non-cash impairment charges of $1.5 billion, unrealized losses on derivatives instruments of $519 million, $95 million in restructuring charges and a $122 million gain on a debt exchange transaction, compared to a Net loss attributable to our common shareholder of $117 million for the corresponding period in fiscal 2008. The prior year Net loss attributable to our common shareholder included $45 million of stock compensation expense and $32 million of transaction fees associated with Hindalco's acquisition of Novelis.
  - Impairment charges made to goodwill and investments in affiliates totaling $1.5 billion reflected the global economic environment and the related market increase in the cost of capital in fiscal 2009.
  - The unrealized loss on derivative instruments for fiscal 2009 was $519 million, compared to a $3 million loss in the prior year period. We use derivative instruments to hedge forecasted purchases of aluminum and other commodities and related foreign currency exposures. This loss primarily reflects the drop in the price of aluminum during the current year from $3,292 per tonne in July 2008 to $1,365 per tonne at March 31, 2009.
- Shipments of flat rolled products decreased 16% in the first quarter of fiscal 2010 to 650 kt from 777 kt in the prior year quarter and decreased 7% in fiscal 2009 to 2,770 kt from 2,988 kt in the prior year period. Shipments in North America and Asia increased in the first quarter of fiscal 2010 compared to the fourth quarter of fiscal 2009, with signs of economic recovery evident in Asia where shipments were up more than 50%.

- Shipments to construction, automotive and industrial companies were significantly impacted in the second half of fiscal 2009 and the first quarter of fiscal 2010 by the economic downturn while can sheet shipments remained stable in most regions.
- Inventory levels were effectively managed despite slowing business conditions. Metal inventories as of June 30, 2009 totaled 307 kt.

Business and Industry Climate

Global economic trends impact the company, and there is a large amount of uncertainty with regard to economic trends and the timing of recovery. On an overall basis, markets in North America, Europe and Asia experienced significant economic downturns in the past year. We have begun to see signs of recovery in Asia and North America, with shipments in the first quarter of fiscal 2010 exceeding shipments in the fourth quarter of fiscal 2009. However, shipments in all regions remain below prior year levels. The impact of demand reductions for flat rolled products varies for each region based upon the nature of the industry sectors in which we operate. In general, can shipments have remained relatively stable while construction, automotive and other industrial production markets experienced significant declines in demand.

As discussed in further detail in "Segment Review," we have taken a number of actions to adjust our metal intake, cut back on production and reduce fixed costs, all actions which we believe will effectively manage our working capital.

- We reduced labor and overhead costs in all regions through capacity and staff reductions, including the closure of our Rogerstone facility in the United Kingdom, and staff reductions in the United States, Germany, France, Brazil and South Korea. We ceased operations at our alumina refinery in Brazil effective May 2009. We also implemented a salary freeze and a hiring freeze for all but the most critical positions. We believe we will continue to benefit from these actions in the coming months.
- We have reduced capital spending with a focus on preserving maintenance and safety.
- We worked to lower pricing from suppliers of commodity goods and services.

Business Model and Key Concepts

Most of our business is conducted under a conversion model, which allows us to pass through increases or decreases in the price of aluminum to our customers. Nearly all of our products have a price structure with two components: (i) a pass-through aluminum price based on the LME plus local market premiums and (ii) a "conversion premium" price on the conversion cost to produce the rolled product which reflects, among other factors, the competitive market conditions for that product.

A key component of our conversion model is the use of derivative instruments on projected aluminum requirements to preserve our conversion margin. We enter into forward metal purchases simultaneous with the sales contracts that contain fixed metal prices. These forward metal purchases directly hedge the economic risk of future metal price fluctuation associated with these contracts. We also enter into forward metal purchases, aluminum futures and options to hedge our exposure to rising metal prices and sales contracts with metal price ceilings. Additionally, we sell short-term LME futures contracts to reduce the cash flow volatility of fluctuating metal prices associated with the metal price lag.

The average and closing prices based upon the LME for aluminum for the three months ended June 30, 2009 and 2008 and the years ended March 31, 2009, 2008 and 2007 are as follows:

London Metal Exchange Prices	Three Months Ended June 30,		Year Ended March 31,			Percent Change		
	2009 Successor	2008 Successor	2009 Successor	2008 Combined	2007 Predecessor	Three Months Ended June 30, 2009 Versus June 30, 2008	Year Ended March 31, 2009 Versus March 31, 2008	Year Ended March 31, 2008 Versus March 31, 2007
Aluminum (per metric tonne, and presented in U.S. dollars):								
Closing cash price as of end of period	$ 1,616	$ 3,075	$ 1,365	$ 2,935	$ 2,792	(47.4)%	(53.5)%	5.1%
Average cash price during period	$ 1,488	$ 2,940	$ 2,234	$ 2,624	$ 2,665	(49.4)%	(14.9)%	(1.5)%

LME prices for aluminum (the "LME prices") rose to a peak of $3,292 per tonne in July 2008, but have significantly declined since the high point due to falling demand for primary aluminum. Prices closed at $1,616 per tonne at June 30, 2009, after hitting a low of $1,254 per tonne in February 2009.

Rapidly declining LME prices had the following impacts on our business:

- Our products have a price structure based upon the LME price. Increases or decreases in the LME price have a direct impact on net sales, cost of goods sold and working capital.
- We pay cash to brokers to settle derivative contracts in advance of billing and collecting cash from our customers, which negatively impacts our liquidity position. This typically ranges from 30 to 60 days, which temporarily reduces our liquidity in periods following declines in LME.

Metal Price Ceilings

We have one remaining sales contract which contains a ceiling over which metal prices cannot be contractually passed through to a certain customer. This negatively impacts our margins and operating cash flows when the price we pay for metal is above the ceiling price contained in this contract. We calculate and report this difference to be approximately the difference between the quoted purchase price on the LME (adjusted for any local premiums and for any price lag associated with purchasing or processing time) and the metal price ceiling in our contracts. Cash flows from operations are negatively impacted by the same amounts, adjusted for any timing difference between customer receipts and vendor payments, and offset partially by reduced income taxes.

For the three months ended June 30, 2009, we did not incur any sales subject to the ceiling. For the years ended March 31, 2009, 2008 and 2007 and the three months ended June 30, 2008, we were unable to pass through approximately $176 million, $230 million, $460 million and $78 million, respectively, of metal purchase costs associated with sales under this contract. Based on an August 28, 2009, aluminum price of $1,880 per tonne, and our best estimate of a range of shipment volumes, we estimate that we will be unable to pass through aluminum purchase costs of approximately $9.2 million through December 31, 2009 when this contract expires.

To manage and mitigate the risks associated with metal price ceilings and rising prices that we could not pass through to certain customers:

- We maximize the amount of our internally supplied metal inputs from our smelting, refining and mining operations in Brazil and rely on output from our recycling operations which utilize UBCs. Both of these sources of aluminum supply have historically provided an offsetting benefit to the metal price ceiling contracts. We refer to these two sources as "internal hedges."
- We entered into derivative instruments to hedge projected aluminum volume requirements above our assumed internal hedge position, mitigating our exposure to further increases in LME prices. As a result of these instruments, we will continue to incur cash losses related to these contracts even if LME prices

remain below the ceiling price. As of June 30, 2009 the fair value of the liability associated with these derivative instruments was $67 million.

In connection with the allocation of the purchase price paid by Hindalco, we established reserves totaling $655 million as of May 15, 2007 to record these sales contracts at fair value. These reserves are being accreted into net sales over the remaining lives of the underlying contracts. This accretion has no impact on cash flow. For the quarters ended June 30, 2009 and 2008, we recorded accretion of $55 million and $64 million, respectively. As of June 30, 2009, the balance of these reserves is approximately $97 million which will be amortized into net sales during the second and third quarters of fiscal 2010.

Metal Price Lag

On certain sales contracts we experience timing differences on the pass through of changing aluminum prices from our suppliers to our customers. Additional timing differences occur in the flow of metal costs through moving average inventory cost values and cost of goods sold. In periods of declining prices, our earnings are negatively impacted by this timing difference while the opposite is true in periods of rising prices. We refer to this timing difference as "metal price lag." We sell short-term LME forward contracts to help mitigate our exposure to metal price lag.

Certain of our sales contracts, most notably in Europe, contain fixed metal prices for periods of time ranging from four to 36 months. We typically enter into forward metal purchases simultaneous with these sales contracts.

Foreign Exchange Impact

Fluctuations in foreign exchange rates also impact our operating results. The following table presents the average of the month-end exchange rates and changes from the prior year period:

	Three Months Ended June 30,		U.S. Dollar Strengthen/ (Weaken)	Year Ended March 31,		U.S. Dollar Strengthen/ (Weaken)	Year Ended March 31,		U.S. Dollar Strengthen/ (Weaken)
	2009	2008		2009	2008		2008	2007	
U.S. dollar per Euro	1.379	1.563	11.8%	1.411	1.432	1.5%	1.432	1.294	(10.7)%
Brazilian real per U.S. dollar	2.036	1.638	24.3	1.982	1.837	7.9	1.837	2.148	(14.5)
South Korean won per U.S. dollar	1,302	1,027	26.8	1,224	932	31.3	932	944	(1.3)
Canadian dollar per U.S. dollar	1.149	1.007	14.1	1.134	1.025	10.6	1.025	1.135	(9.7)

The U.S. dollar weakened as compared to the local currency in all regions during the quarter ended June 30, 2009. In Europe and Asia, the weakening of the U.S. dollar resulted in foreign exchange gains as these operations are recorded in local currency. In Brazil, where the U.S. dollar is the functional currency due to predominantly U.S. dollar selling prices and local currency operating costs, we incurred foreign exchange losses as the U.S. dollar weakened.

The U.S. dollar strengthened as compared to the local currency in all regions during the year ended March 31, 2009, as compared to a weakened U.S. dollar for the year ended March 31, 2008. In Asia, the strengthening of the U.S. dollar resulted in foreign exchange losses as the operations there are recorded in local currency, with a larger portion of our liabilities denominated in the U.S. dollar, including metal purchases and long-term debt. In Brazil, where we have predominantly U.S. dollar selling prices and local currency operating costs, we benefited as the U.S. dollar strengthened during the period.

See "Segment Review" for each of the periods presented below for additional discussion of the impact of foreign exchange on the results of each region.

Results of Operations

Quarter Ended June 30, 2009 Compared with the Quarter Ended June 30, 2008

For the quarter ended June 30, 2009, we reported Net income attributable to our common shareholder of $143 million on net sales of $2.0 billion, compared to the quarter ended June 30, 2008 when we reported Net income attributable to our common shareholder of $24 million on net sales of $3.1 billion. The reduction in sales is due to 49% lower average LME prices as well as lower demand for flat rolled products primarily in Europe and North America.

Costs of goods sold decreased $1.3 billion, or 46%, which reflects the decrease in metal costs along with the benefit of our previously announced restructuring actions, shown in part through reductions in conversion costs for each region. Selling, general and administrative expenses decreased $6 million, or 7%, primarily due to reductions in selling costs and professional fees.

The first quarter of fiscal 2010 was impacted by $299 million in unrealized gains on derivative instruments, as compared to $20 million in the first quarter of fiscal 2009. We also recorded an income tax provision of $112 million in the first quarter of fiscal 2010, as compared to a $35 million income tax provision in the prior year. These items are discussed in further detail below.

Segment Review

Due in part to the regional nature of supply and demand of aluminum rolled products and in order to best serve our customers, we manage our activities on the basis of geographical areas and are organized under four operating segments: North America, Europe, Asia and South America.

Corporate and Other includes functions that are managed directly from our corporate office, which focuses on strategy development and oversees governance, policy, legal compliance, human resources and finance matters. These expenses have not been allocated to the regions. It also includes realized gains (losses) on corporate derivative instruments, consolidating and other elimination accounts.

We measure the profitability and financial performance of our operating segments, based on Segment income, in accordance with FASB Statement No. 131, *Disclosure About the Segments of an Enterprise and Related Information.* Segment income provides a measure of our underlying segment results that is in line with our portfolio approach to risk management. We define Segment income as earnings before (a) depreciation and amortization; (b) interest expense and amortization of debt issuance costs; (c) interest income; (d) unrealized gains (losses) on change in fair value of derivative instruments, net; (e) impairment of goodwill; (f) impairment charges on long-lived assets (other than goodwill); (g) gain on extinguishment of debt; (h) noncontrolling interests' share; (i) adjustments to reconcile our proportional share of Segment income from non-consolidated affiliates to income as determined on the equity method of accounting; (k) restructuring charges, net; (k) gains or losses on disposals of property, plant and equipment and businesses, net; (l) other costs, net; (m) litigation settlement, net of insurance recoveries; (n) sale transaction fees; (o) income tax provision (benefit) and (p) cumulative effect of accounting change, net of tax. We also use total Segment income, a non-GAAP measure, as an internal performance measure.

Additionally, management changed how Segment income is defined beginning with the quarter ended June 30, 2009. Total Segment income now includes corporate selling, general and administrative costs, realized gains (losses) on corporate derivatives and certain other costs. The prior periods have been recast herein to reflect this change in definition.

The tables below show selected segment financial information. For additional financial information related to our operating segments, see "Note 21 — Segment, Geographical Area and Major Customer Information" to our Audited Financial Statements and "Note 15 — Segment, Major Customer and Major Supplier Information" to our Unaudited Financial Statements included elsewhere in this prospectus.

Selected Operating Results Three Months Ended June 30, 2009 (In millions, except shipments which are in kt)	Reportable Segments					
	North America	Europe	Asia	South America	Eliminations	Total
Net sales	$ 767	$ 665	$ 326	$ 204	$ (2)	$ 1,960
Shipments (kt)						
Rolled products	254	185	130	81	—	650
Ingot products	7	27	—	7	—	41
Total shipments	261	212	130	88	—	691

Selected Operating Results Three Months Ended June 30, 2008 (In millions, except shipments which are in kt)	Reportable Segments					
	North America	Europe	Asia	South America	Eliminations	Total
Net sales	$ 1,083	$ 1,218	$ 510	$ 295	$ (3)	$ 3,103
Shipments (kt)						
Rolled products	286	271	133	87	—	777
Ingot products	8	28	7	5	—	48
Total shipments	294	299	140	92	—	825

The following table reconciles changes in Segment income for the quarter ended June 30, 2008 to the quarter ended June 30, 2009:

Changes in Segment Income (In millions)	Reportable Segments					
	North America	Europe	Asia	South America	Corporate and Other	Total
Segment income — three months ended June 30, 2008	$ 42	$ 111	$ 31	$ 47	$ (13)	$ 218
Volume:						
Rolled products	(24)	(81)	(2)	(3)	—	(110)
Other	—	(1)	—	2	—	1
Conversion premium and product mix	9	46	14	6	—	75
Conversion costs(1)	21	5	11	3	—	40
Metal price lag	10	(44)	(24)	(10)	—	(68)
Foreign exchange	2	9	9	(4)	2	18
Other changes(2)	(3)	(12)	(1)	(30)	(4)	(50)
Segment income — three months ended June 30, 2009	$ 57	$ 33	$ 38	$ 11	$ (15)	$ 124

(1) Conversion costs include expenses incurred in production such as direct and indirect labor, energy, freight, scrap usage, alloys and hardeners, coatings, alumina and melt loss. Fluctuations in this component reflect cost efficiencies during the period as well as cost inflation (deflation).

(2) Other changes include selling, general & administrative costs and research and development for all segments and certain other items which impact one or more regions, including such items as the impact of purchase accounting and metal price ceiling contracts. Significant fluctuations in these items are discussed below.

North America

As of June 30, 2009, North America manufactured aluminum sheet and light gauge products through 11 plants, including two dedicated recycling facilities. Important end-use applications include beverage cans,

containers and packaging, automotive and other transportation applications, building products and other industrial applications.

North America experienced a reduction in demand in the second half of fiscal 2009 as all industry sectors were impacted by the economic downturn. While shipments in the first quarter of fiscal 2010 were higher than the fourth quarter of fiscal 2009, they have not yet returned to historical levels, with shipments down 11% as compared to the first quarter of fiscal 2009. Net sales for the first quarter of fiscal 2010 were down $316 million, or 29%, as compared to the first quarter of fiscal 2009 due to a lower average LME price as well as the demand decreases. The can business remains relatively stable, but shipments of most other products are below the prior year level.

Segment income for the three months ended June 30, 2009 was $57 million, up $15 million as compared to the prior year period. Reductions in conversion costs, and improved conversion premiums and net favorable metal price lag all had a positive impact on Segment income, more than offsetting volume reductions. Conversion cost improvements primarily relate to reduction in energy, melt loss, labor costs and repairs and maintenance as compared to the prior year period. Other changes include a $9 million reduction to the net favorable impact of acquisition related fair value adjustments, partially offset by a $5 million reduction in selling, general and administrative expenses.

In response to reductions in demand, we announced a Voluntary Separation Program (“VSP”) available to salaried employees in North America and the Corporate office aimed at reducing staff levels. This VSP plan was supplemented by an Involuntary Severance Program (“ISP”). Through the VSP and ISP, we eliminated approximately 120 positions during the fourth quarter of fiscal 2009 and the first quarter of fiscal 2010.

Europe

As of June 30, 2009, our European segment provided European markets with value-added sheet and light gauge products through 12 aluminum rolled products facilities and one dedicated recycling facility. Europe serves a broad range of aluminum rolled product end-use markets in various applications including can, automotive, lithographic, foil products and painted products.

Europe has also experienced a significant reduction in demand in all industry sectors with flat rolled shipments and net sales down 32% and 45%, respectively, compared to the prior year. The volume reduction had a $188 million unfavorable impact on net sales, with the remaining decrease reflecting the impact of lower LME prices. Flat rolled products in Europe are essentially flat from the fourth quarter of fiscal 2009, but at continued low levels.

Segment income for the first fiscal quarter of fiscal 2010 was $33 million, down from $111 million in the comparative period of the prior year. Volume and metal price lag unfavorably impacted Segment income but these impacts were partially offset by favorable conversion premiums, conversion costs and foreign exchange remeasurement. The favorable impact of conversion costs relates to decreases in labor and energy costs, as well as a reduction in repair and maintenance expense and freight as compared to the prior year period. Other changes reflect an unfavorable impact of $12 million from fixed forward priced contracts.

Asia

As of June 30, 2009, Asia operated three manufacturing facilities with production balanced between foil, construction and industrial, and beverage and food can end-use applications.

We have begun to see a recovery in demand in Asia, driven mostly from China and Korea, with flat rolled shipments only down 2% as compared to the prior year period. Shipments for the first quarter of fiscal 2010 are up 51% as compared to the fourth quarter of fiscal 2009. We expect customer demand to continue at these levels for the next few months. Net sales decreased $184 million, or 36%, reflecting the impact of lower LME prices.

Segment income increased from $31 million for the first quarter of fiscal 2009 to $38 million for the first quarter of fiscal 2010 due to improvements in conversion premiums, conversion costs and foreign exchange remeasurement, partially offset by volume reductions and metal price lag.

South America

Our operations in South America manufacture various aluminum rolled products for the beverage and food can, construction and industrial and transportation end-use markets. Our South American operations included two rolling plants in Brazil along with two smelters, bauxite mines and power generation facilities as of June 30, 2009. In light of the current alumina and aluminum pricing environment, we are evaluating our primary aluminum business. We ceased the production of commercial grade alumina at our Ouro Preto facility effective May 2009 as the sustained decline in alumina prices has made alumina production economically unfeasible. For the foreseeable future, the plant will purchase alumina through third parties.

Total shipments decreased 4% over the prior year period, with rolled products shipments down 7%, while net sales decreased 31% as compared to the prior year period due to lower LME prices, partially offset by higher conversion premiums. While flat rolled shipments in South America for the first quarter of fiscal 2010 were down approximately 6% as compared to the fourth quarter of fiscal 2009, can production has been stable with shipments constant year over year. Can shipments represent more than 85% of our flat rolled shipments in South America.

Segment income for South America decreased $36 million as compared to the prior year period due to the unfavorable impacts of metal price lag and foreign exchange remeasurement. Other changes reflect a $29 million decrease in the smelter benefit compared to the prior year period. The benefits from our smelter operations in South America decline as average LME prices decrease.

Corporate and Other

Corporate and Other expenses declined versus the prior year due to a $3 million increase in selling, general and administrative costs, partially offset by $2 million improvement in foreign exchange.

Costs such as depreciation and amortization, interest expense and unrealized gains (losses) on changes in the fair value of derivatives are not utilized by our chief operating decision maker in evaluating segment performance. These items are excluded from our calculation of Segment income. The table below reconciles

total Segment income to Net income attributable to our common shareholder for the quarter ended June 30, 2009 and 2008.

(In millions)	Three Months Ended June 30, 2009 Successor	2008 Successor
Total Segment income	$ 124	$ 218
Depreciation and amortization	(100)	(116)
Interest expense and amortization of debt issuance costs	(43)	(45)
Interest income	3	5
Unrealized gains on change in fair value of derivative instruments, net	299	20
Impairment charges on long-lived assets	—	(1)
Adjustment to eliminate proportional consolidation(1)	(16)	(18)
Restructuring recoveries (charges), net	(3)	1
Other costs, net	9	(3)
Income before income taxes	273	61
Income tax provision	112	35
Net income	161	26
Net income attributable to noncontrolling interests	18	2
Net income attributable to our common shareholder	$ 143	$ 24

(1) Our financial information for our segments (including Segment income) includes the results of our non-consolidated affiliates on a proportionately consolidated basis, which is consistent with the way we manage our business segments. However, under GAAP, these non-consolidated affiliates are accounted for using the equity method of accounting. Therefore, in order to reconcile total Segment income to Net income attributable to our common shareholder, the proportional Segment income of these non-consolidated affiliates is removed from total Segment income, net of our share of their net after-tax results, which is reported as equity in net (income) loss of non-consolidated affiliates on our condensed consolidated statements of operations. See "Note 5 — Investment in and Advances to Non-Consolidated Affiliates and Related Party Transactions" to our Unaudited Financial Statements included elsewhere in this prospectus for further information about these non-consolidated affiliates.

Depreciation and amortization decreased $16 million from the prior year period due to the reductions in depreciation on fixed assets, primarily in Europe. Certain fair value adjustments recorded in connection with the Arrangement were fully amortized in the first quarter of fiscal 2010.

Interest expense and amortization of debt issuance costs decreased primarily due to lower average interest rates on our variable rate debt. Approximately 21% of our debt was variable rate as of June 30, 2009.

Unrealized gains on the change in fair value of derivative instruments represent the mark-to-market accounting for changes in the fair value of our derivatives that do not receive hedge accounting treatment. In the quarter ended June 30, 2009, the $299 million of unrealized gains for the first quarter of fiscal 2010 consists of (1) $224 million reversal of previously recognized losses upon settlement of these derivatives and (2) $75 million of unrealized gains relating to mark to market adjustments.

The $20 million of unrealized gains for the first quarter of fiscal 2009 consists of (1) $24 million reversal of previously recognized gains upon settlement of these derivatives and (2) $44 million of unrealized gains relating to mark-to-market adjustments including $20 million of unrealized gains related to the change in the average price of aluminum.

Adjustment to eliminate proportional consolidation of $16 million for the first quarter for fiscal 2010 was flat as compared to $18 million in the first quarter of fiscal 2009. This adjustment primarily relates to

depreciation and amortization and income taxes at our Aluminium Norf GmbH joint venture. Income taxes related to our equity method investments are reflected in the carrying value of the investment and not in our consolidated income tax provision.

Restructuring charges in the first quarter of fiscal 2009 relate to additional expenses associated with previously announced restructuring actions in Europe. See "Note 2 — Restructuring Programs" to our Unaudited Financial Statements included elsewhere in this prospectus.

We have experienced significant fluctuations in income tax expense and the corresponding effective tax rate. The primary factors contributing to the effective tax rate differing from the statutory Canadian rate include:

- Our functional currency in Canada and Brazil is the U.S. dollar and the company holds significant U.S. dollar denominated debt in these locations. As the value of the local currencies strengthens and weakens against the U.S. dollar, unrealized gains or losses are created in those locations for tax purposes, while the underlying gains or losses are not recorded in our income statement.
- During the year ended March 31, 2009, Canadian legislation was enacted allowing us to elect to determine our Canadian taxable income in U.S. dollars. Our election was effective April 1, 2008, and such U.S. dollar taxable gains and losses no longer exist in Canada as of that date.
- We have significant net deferred tax liabilities in Brazil that are remeasured to account for currency fluctuations as the taxes are payable in local currency.
- Our income is taxed at various statutory tax rates in varying jurisdictions. Applying the corresponding amounts of income and loss to the various tax rates results in differences when compared to our Canadian statutory tax rate.

For the three months ended June 30, 2009, we recorded a $112 million income tax provision on our pre-tax income of $283 million, before our equity in net loss of non-consolidated affiliates, which represented an effective tax rate of 40%. Our effective tax rate differs from the Canadian statutory rate primarily due to the following factors: (1) $12 million expense for (a) pre-tax foreign currency gains or losses with no tax effect and (b) the tax effect of U.S. dollar denominated currency gains or losses with no pre-tax effect, (2) a $23 million expense for exchange remeasurement of deferred income taxes and (3) an $11 million benefit from differences between the Canadian statutory and foreign effective tax rates applied to entities in different jurisdictions.

For the three months ended June 30, 2008, we recorded a $35 million income tax provision on our pre-tax income of $63 million, before our equity in net loss of non-consolidated affiliates, which represented an effective tax rate of 56%. Our effective tax rate differs from the Canadian statutory rate primarily due to the following factors: (1) $9 million expense for (a) pre-tax foreign currency gains or losses with no tax effect and (b) the tax effect of U.S. dollar denominated currency gains or losses with no pre-tax effect, (2) $20 million expense for exchange remeasurement of deferred income taxes and (3) a $14 million benefit for differences between the Canadian statutory and foreign effective tax rates applied to entities in different jurisdictions.

Year Ended March 31, 2009 Compared With the Year Ended March 31, 2008 (Twelve Months Combined Non-GAAP)

Positive trends in the demand for aluminum products and inflationary movement in average LME prices during the first six months of fiscal 2009 were reversed sharply in the third fiscal quarter of fiscal 2009 and continued into the fourth quarter.

For the year ended March 31, 2009, we realized a Net loss attributable to our common shareholder of $1.9 billion on net sales of $10.2 billion, compared to the year ended March 31, 2008 when we realized a Net loss attributable to our common shareholder of $117 million on net sales of $11.2 billion. The reduction in sales is due to the decrease in the average LME price as well as a reduction in demand for flat rolled products in most regions during the last six months of fiscal 2009.

Costs of goods sold decreased $1.0 billion, or 10%, and stayed flat as percentage of net sales as compared to the prior year period on an overall basis. Selling, general and administrative expenses decreased $96 million, or 23%, primarily due to reductions in professional fees and employee-related costs, including incentive compensation associated with the Arrangement.

The current year results include non-cash asset impairment charges totaling $1.5 billion. The impairment charges are discussed in more detail under "Critical Accounting Policies and Estimates."

The current year was also impacted by $519 million in non-cash unrealized losses on derivative instruments and $95 million in restructuring charges. These negative factors were partially offset by a $122 million gain on the extinguishment of debt. We also recorded an income tax benefit of $246 million on our net loss, as compared to a $77 million income tax provision in the prior year. These items are discussed in further detail below.

Segment Review (On a combined non-GAAP basis)

The tables below show selected segment financial information.

Selected Operating Results Year Ended March 31, 2009 (In millions, except shipments which are in kt)	Reportable Segments					
	North America	Europe	Asia	South America	Eliminations	Total
Net sales	$ 3,930	$ 3,718	$ 1,536	$ 1,007	$ (14)	$ 10,177
Shipments (kt)						
Rolled products	1,067	910	447	346	—	2,770
Ingot products	42	99	13	19	—	173
Total shipments	1,109	1,009	460	365	—	2,943

Selected Operating Results Year Ended March 31, 2008 (In millions, except shipments which are in kt) (Combined)	Reportable Segments					
	North America	Europe	Asia	South America	Eliminations	Total
Net sales	$ 4,101	$ 4,338	$ 1,818	$ 994	$ (5)	$ 11,246
Shipments (kt)						
Rolled products	1,102	1,071	491	324	—	2,988
Ingot products	64	35	39	24	—	162
Total shipments	1,166	1,106	530	348	—	3,150

The following table reconciles changes in Segment income for the year ended March 31, 2008 to the year ended March 31, 2009:

Changes in Segment Income (In millions)	Reportable Segments				Corporate and Other	Total
	North America	Europe	Asia	South America		
Segment income — year ended March 31, 2008	$ 242	$ 273	$ 52	$ 161	$ (84)	$ 644
Volume:						
Rolled products	(28)	(156)	(35)	5	—	(214)
Other	—	(3)	(4)	(9)	—	(16)
Conversion premium and product mix	22	68	26	(3)	—	113
Conversion costs(1)	(57)	12	(14)	(36)	—	(95)
Metal price lag	(87)	66	63	(1)	—	41
Foreign exchange	(26)	(40)	(10)	14	3	(59)
Other changes(2)	16	16	8	8	26	74
Segment income — year ended March 31, 2009	$ 82	$ 236	$ 86	$ 139	$ (55)	$ 488

(1) Conversion costs include expenses incurred in production such as direct and indirect labor, energy, freight, scrap usage, alloys and hardeners, coatings, alumina and melt loss. Fluctuations in this component reflect cost efficiencies during the period as well as cost inflation (deflation).

(2) Other changes include selling, general & administrative costs and research and development for all segments and certain other items which impact one or more regions, including such items as the impact of purchase accounting and metal price ceiling contracts. Significant fluctuations in these items are discussed below.

North America

Net sales for fiscal 2009 were down $171 million, or 4%, as compared to the fiscal 2008 period due to lower volume and a lower average LME price. While shipments were down 5% for fiscal 2009 as compared to fiscal 2008, shipments in the second half of fiscal 2009 were down 16% as compared to the first half of the year.

Segment income for fiscal 2009 was $82 million, down $160 million as compared to the prior year, due to the negative impact of metal price lag, conversion costs, volume decreases and foreign exchange fluctuations related to our operations in Canada. The negative impact of conversion costs relates to increases in energy costs and freight as compared to the prior year.

Other changes reflect $11 million in acquisition-related stock compensation expense in the prior year period, and an $18 million favorable impact related to metal price ceiling contracts as compared to the prior year. Selling, general and administrative costs were down $22 million as compared to the prior year as the cost reduction initiatives have begun to favorably impact results. These favorable changes were partially offset by a $23 million reduction in the net favorable impact of acquisition-related fair value adjustments and a $13 million reduction in the benefit associated with recycling used beverage cans.

Europe

Flat rolled shipments and net sales decreased 15% and 14%, respectively, compared to the prior year. The volume reduction had a $404 million unfavorable impact on net sales, with the remaining decrease reflecting the impact of lower LME prices and a stronger U.S. dollar. Demand for specialty, painted and light gauge products was down for fiscal 2009 as a result of the weak construction market, as well as reductions in demand for automotive products. Increases in beverage can and lithographic shipments in the first six months

of fiscal 2009 were reversed in the second half of the fiscal year, resulting in year-over-year declines in both sectors.

Segment income for fiscal 2009 was $236 million, as compared to $273 million in the comparative period of the prior year. Volume and foreign currency remeasurement unfavorably impacted Segment income but these impacts were partially offset by favorable conversion premiums, metal price lag and conversion costs. The favorable impact of conversion costs relates to a reduction in labor costs, partially offset by increases in energy costs as compared to the prior year.

Other changes reflect a $13 million net favorable impact of income and expense items associated with acquisition-related fair value adjustments and $6 million of stock compensation expense in the prior year.

In the fourth quarter of 2009, we announced a number of restructuring actions across Europe, including the closure of our plant in Rogerstone, United Kingdom effective April 30, 2009. The closure of the Rogerstone plant resulted in the elimination of 440 positions, and we recorded approximately $20 million in severance-related costs. We also recorded $20 million in environmental remediation expenses and $3 million in other exit related costs related to the closure of this plant. We also recorded $12 million in non-cash fixed asset impairments, an $8 million write-down of parts and supplies, and a $3 million reduction to reserves associated with unfavorable contracts established as part of the Arrangement.

Cost reductions were also implemented through capacity and staff reductions at our Rugles, France and Ohle, Germany facilities with severance-related costs associated with these actions totaling $10 million in fiscal 2009.

Asia

Total shipments and net sales decreased 13% and 16%, respectively, with the largest shipment reductions in beverage can products, followed by electronics, construction and general purpose foil products. The volume reduction had a $242 million unfavorable impact on net sales with the remaining decrease reflecting the impact of lower LME prices.

The improvement in Segment income of $34 million from the year ended March 31, 2008 to the year ended March 31, 2009 was due to the favorable impact of metal price lag, improved conversion premiums and product mix, partially offset by the volume decreases, increases to conversion costs and foreign currency remeasurement. The conversion cost increases were primarily related to increases in energy costs as compared to the prior year period.

In response to reduced demand, we eliminated 34 positions in Asia in the fourth quarter of fiscal 2009 and recorded approximately $1 million in severance-related costs related to a voluntary retirement program. Also, during the year ended March 31, 2009, we recorded an impairment charge of approximately $5 million in Novelis Korea due to the obsolescence of certain production related fixed assets.

South America

Total shipments increased 5% over prior year, with rolled products shipments up 7%, but net sales increased only 1% as compared to the prior year due to lower LME prices.

Segment income for South America decreased $22 million as compared to the prior year period. Conversion costs increased due to cost inflation for energy, alumina, alloys and hardeners. Other changes reflect a $9 million net favorable impact of income and expense items associated with acquisition-related fair value adjustments, a $6 million reduction in selling, general and administrative expenses and $3 million of stock compensation expense in the prior year period. These positive impacts were partially offset by an $11 million decrease in the smelter benefit as the benefit from our smelter operations in South America declines as average LME prices decrease.

On January 26, 2009, we announced that we would cease the production of alumina at our Ouro Preto facility in May 2009. This resulted in the reduction of approximately 290 positions, including 150 employees and 140 contractors, and we recorded restructuring charges totaling $2 million related to severance in the

fourth quarter of fiscal 2009. Other exit costs include less than $1 million related to the idling of the refinery. Other activities related to the facility, including electric power generation and the production of primary aluminum, will continue unaffected.

Corporate and Other

Corporate and Other expenses declined versus the prior year primarily due to $22 million of stock compensation expenses associated with the Arrangement which were recognized in fiscal 2008 and lower incentive compensation expenses in the current year.

The table below reconciles total Segment income to Net loss attributable to our common shareholder for the years ended March 31, 2009 and 2008.

(In millions)	Year Ended March 31, 2009 Successor	2008 Combined
Total Segment income	$ 488	$ 644
Depreciation and amortization	(439)	(403)
Interest expense and amortization of debt issuance costs	(182)	(218)
Interest income	14	19
Unrealized losses on change in fair value of derivative instruments, net	(519)	(3)
Impairment of goodwill	(1,340)	—
Gain on extinguishment of debt	122	—
Impairment charges on long-lived assets	(1)	(1)
Adjustment to eliminate proportional consolidation(1)	(226)	(43)
Restructuring charges, net	(95)	(7)
Other costs, net	10	(25)
Loss before income taxes	(2,168)	(37)
Income tax provision (benefit)	(246)	77
Net loss	(1,922)	(114)
Net income (loss) attributable to noncontrolling interests	(12)	3
Net loss attributable to our common shareholder	$ (1,910)	$ (117)

(1) Our financial information for our segments (including Segment income) includes the results of our non-consolidated affiliates on a proportionately consolidated basis, which is consistent with the way we manage our business segments. However, under GAAP, these non-consolidated affiliates are accounted for using the equity method of accounting. Therefore, in order to reconcile total Segment income to net loss attributable to our common shareholder, the proportional Segment income of these non-consolidated affiliates is removed from total Segment income, net of our share of their net after-tax results, which is reported as equity in net (income) loss of non-consolidated affiliates on our condensed consolidated statements of operations. See "Note 10 — Investment in and Advances to Non-Consolidated Affiliates and Related Party Transactions" to our Audited Financial Statements included elsewhere in this prospectus for further information about these non-consolidated affiliates.

Depreciation and amortization increased $36 million primarily due to the increases in bases of our property, plant and equipment and intangible assets resulting from the Arrangement in the first quarter of fiscal 2008.

Interest expense and amortization of debt issuance costs decreased primarily due to lower average interest rates on our variable rate debt.

Unrealized losses on the change in fair value of derivative instruments represent the mark-to-market accounting for changes in the fair value of our derivatives that do not receive hedge accounting treatment. In

the year ended March 31, 2009, these unrealized losses increased primarily attributable to falling LME prices. Our principal exposure to LME prices is related to derivatives on fixed forward price contracts. We hedge these contracts by purchasing aluminum futures contracts and these contracts decrease in value in periods of declining LME prices.

We recorded a $1.34 billion impairment charge related to goodwill in fiscal 2009.

The gain on extinguishment of debt related to the purchase of our 7.25% senior notes with a principal value of $275 million with the proceeds of an additional term loan with a face value of $220 million and an estimated fair value of $165 million. See "Liquidity and Capital Resources" below for additional discussion about the accounting for this purchase.

The adjustment to eliminate proportional consolidation includes a $160 million impairment charge related to our investment in our Norf joint venture. Excluding this impairment charge, the adjustment to eliminate proportional consolidation increased from $43 million in fiscal 2008 to $66 million in fiscal 2009 primarily related to our Norf joint venture due to a change in the statutory tax rate in Germany that was reflected in the prior year period. Income taxes related to our equity method investments, such as Norf, are reflected in the carrying value of the investment and not in our consolidated income tax provision.

Other costs, net for the 2009 fiscal year includes a $26 million non-cash gain on reversal of a legal accrual, as well as a $9 million charge for a tax settlement in Brazil. Sale transaction fees of $32 million associated with the Arrangement were recorded in fiscal 2008.

For the year ended March 31, 2009, we recorded a $246 million income tax benefit on our pre-tax loss of $2.0 billion, before our equity in net (income) loss of non-consolidated affiliates, which represented an effective tax rate of 12%. Our effective tax rate differs from the benefit at the Canadian statutory rate primarily due to the following factors: (1) $415 million related to a non-deductible goodwill impairment charge, (2) a $48 million benefit for exchange remeasurement of deferred income taxes, (3) a $61 million increase in valuation allowances primarily related to tax losses in certain jurisdictions where we believe it is more likely than not that we will not be able to utilize those losses, (4) a $33 million benefit from differences between the Canadian statutory and foreign effective tax rates applied to entities in different jurisdictions and (5) a $2 million expense related to an increase in uncertain tax positions.

For the year ended March 31, 2008, we recorded a $77 million income tax provision on our pre-tax loss of $63 million, before our equity in net (income) loss of non-consolidated affiliates, which represented an effective tax rate of (122)%. Our effective tax rate differs from the benefit at the Canadian statutory rate primarily due to the following factors: (1) a $62 million provision for (a) pre-tax foreign currency gains or losses with no tax effect and (b) the tax effect of U.S. dollar denominated currency gains or losses with no pre-tax effect, (2) a $30 million increase for exchange remeasurement of deferred income taxes, (3) a $17 million benefit from the effects of enacted tax rate changes on cumulative taxable temporary differences, (4) a $7 million increase in valuation allowances primarily related to tax losses in certain jurisdictions where we believe it is more likely than not that we will not be able to utilize those losses, and (5) a $17 million increase in uncertain tax positions recorded under the provisions of FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes* ("FIN 48").

Year Ended March 31, 2008 Compared With the Year Ended March 31, 2007 (Twelve Months Combined Non-GAAP for both periods)

For the year ended March 31, 2008, we realized a Net loss attributable to our common shareholder of $117 million on net sales of $11.2 billion, as compared to the year ended March 31, 2007 when we realized a Net loss attributable to our common shareholder of $265 million on net sales of $10.2 billion. The 11% increase in net sales was primarily due to increases in conversion premiums in all regions as well as $270 million of accretion in fair value reserves associated with the metal price ceiling contracts.

The reduction in the Net loss attributable to our common shareholder as compared to the prior year was primarily driven by the favorable impact of purchase accounting and increases in conversion premiums, partially offset by increased depreciation and amortization expense due to the acquisition by Hindalco.

Costs of goods sold increased $618 million, or 6%, but decreased as a percentage of net sales as compared to the prior year period as a result of pricing improvements across all regions, partially offset by certain operating cost increases. Selling, general and administrative expenses decreased slightly as a result of reduced corporate costs, offset by increased stock compensation associated with the Arrangement. For the year ended March 31, 2008, we recorded income tax expense of $77 million, as compared to a $99 million income tax benefit. These items are discussed in further detail below.

Segment Review (On a combined non-GAAP basis)

The tables below show selected segment financial information.

Selected Operating Results Year Ended March 31, 2008 (In millions, except shipments which are in kt) (Combined)	Reportable Segments					
	North America	Europe	Asia	South America	Eliminations	Total
Net sales	$ 4,101	$ 4,338	$ 1,818	$ 994	$ (5)	$ 11,246
Shipments (kt)						
Rolled products	1,102	1,071	491	324	—	2,988
Ingot products	64	35	39	24	—	162
Total shipments	1,166	1,106	530	348	—	3,150

Selected Operating Results Year Ended March 31, 2007 (In millions, except shipments which are in kt) (Predecessor)	Reportable Segments					
	North America	Europe	Asia	South America	Eliminations	Total
Net sales	$ 3,721	$ 3,851	$ 1,711	$ 889	$ (12)	$ 10,160
Shipments (kt)						
Rolled products	1,135	1,071	460	285	—	2,951
Ingot products	74	15	45	28	—	162
Total shipments	1,209	1,086	505	313	—	3,113

The following table highlights changes in Segment income for the twelve months ended March 31, 2008 as compared to the twelve months ended March 31, 2009:

Changes in Segment Income (In millions)	Reportable Segments				Corporate and Other	Total
	North America	Europe	Asia	South America		
Segment income — year ended March 31, 2007	$ (54)	$ 276	$ 72	$ 182	$ (171)	$ 305
Volume	(29)	5	12	19	—	7
Conversion premium and product mix	47	59	9	58	—	173
Conversion costs(1)	(60)	(6)	(17)	(10)	—	(93)
Metal price lag	(31)	(61)	9	(17)	—	(100)
Foreign exchange	6	16	(21)	(35)	1	(33)
Purchase accounting	242	(8)	(6)	(9)	—	219
Other changes(2)	121	(8)	(6)	(27)	86	166
Segment income — year ended March 31, 2008	$ 242	$ 273	$ 52	$ 161	$ (84)	$ 644

(1) Conversion costs include expenses incurred in production such as direct and indirect labor, energy, freight, scrap usage, alloys and hardeners, coatings, alumina and melt loss. Fluctuations in this component reflect cost efficiencies during the period as well as cost inflation (deflation).

(2) Other changes include selling, general & administrative costs and research & development for all segments and certain other items which impact one or more regions, including such items as the impact of metal price ceiling contracts and stock compensation expense. Significant fluctuations in these items are discussed below.

North America

Net sales increased in the fiscal 2008 period as compared to the fiscal 2007 period primarily as a result of reduced exposure to contracts with price ceilings and contract fair value accretion. During the fiscal 2008 period, we were unable to pass through approximately $230 million of metal purchase costs. During the comparable period in 2007, we were unable to pass through approximately $460 million, for a net favorable impact of approximately $230 million. Sales in the fiscal 2008 period were also favorably impacted by $270 million related to the accretion of the contract fair value reserves as discussed in "Metal Price Ceilings," increases in conversion premiums and the favorable impact of contracts priced in prior periods.

These favorable changes in sales were partially offset by a reduction in demand in the fiscal 2008 period as compared to the fiscal 2007 period and a lower average LME. Rolled product shipments were down 3% in North America in the fiscal 2008 period as compared to the fiscal 2007 period due to reduced industrial products, light gauge and lower can volumes. The reduction in demand led to a $165 million reduction in net sales as compared to the prior year. The average LME was 1.5% lower than in the prior year, which impacted sales in North America by $88 million as compared to the prior year.

Segment income for the fiscal 2008 period was $242 million, an increase of $296 million as compared to the fiscal 2007 period. The reduction of year-over-year ceiling exposure net of derivatives losses combined with the purchase accounting on these types of contracts favorably impacted fiscal 2008 Segment income. These favorable items were partially offset by increased conversion costs, the negative impact of metal price lag, lower volume and $11 million of stock compensation recorded as a result of the Arrangement.

Europe

Rolled product shipments were flat year-over-year driven by increased can volume that was offset by lower volumes in painted and general purpose products. Demand decreased due to lower construction activity in the European market. Ingot product shipment increased as a result of higher scrap sales.

Net sales increased 13% due to a strengthening of the euro against the U.S. dollar, higher conversion premiums and incremental volume of ingot products. While average LME was lower year-over-year, net sales increased from contracts priced in prior periods. This contributed approximately $100 million to net sales as compared to the prior year, but had no impact on Segment income as the metal costs were hedged at prior period prices, which were comparably higher.

Segment income for the fiscal 2008 period was $273 million, as compared to $276 million in the comparable prior year period. Segment income was favorably impacted by higher conversion premiums, increased ingot sales and foreign currency benefits. These positive factors were more than offset by unfavorable metal price lag, increased conversion costs and other changes. Other changes include a $6 million negative impact of incremental stock compensation expense recorded as a result of the Arrangement.

Asia

Shipments of rolled products and net sales were up a comparable 7% and 6%, respectively. Net sales increased $132 million as a result of higher conversion premiums and increased volume, partially offset by lower average LME during the period, which reduced net sales by $25 million. Increases in rolled products was due to increased demand in the can market, partially offset by a decline in shipments in the industrial and

foil stock markets as a result of continued price pressure from Chinese exports, driven by the difference in aluminum metal prices on the Shanghai Futures Exchange and the LME.

Segment income decreased $20 million for the fiscal 2008 period as compared to the fiscal 2007 period. Segment income was unfavorably impacted by conversion costs and foreign exchange, partially offset by the benefit of increased volume and price. Other changes include a $4 million of incremental stock compensation expense recorded as a result of the Arrangement.

South America

Rolled product shipments increased during the year ended March 31, 2008 over the comparable prior year period primarily due to an increase in can shipments driven by strong market demand. This was slightly offset by reductions in the industrial products market. Net sales increased primarily as a result of increased price and volume.

Segment income for South America decreased $21 million as compared to the prior year period as favorable trends in volume and conversion premiums were more than offset by higher conversion costs, metal price lag and foreign exchange associated with the strengthening of the Brazilian real. Conversion costs increased due to cost inflation for energy, freight and other operating costs.

Other changes include an unfavorable impact of $13 million related to the smelter operations, as the benefits from our smelter operations in South America decline as average LME prices decrease. Also included within other changes is an $11 million unfavorable impact of lower average LME prices and $3 million of incremental stock compensation expense recorded as a result of the Arrangement.

Corporate and Other

Corporate and Other expenses declined versus fiscal 2007 primarily through reduced spending on third party consultants at our corporate headquarters. This improvement was partially offset by $22 million of stock compensation expenses associated with the Arrangement which were recognized in fiscal 2008.

The table below reconciles total Segment income to Net loss attributable to our common shareholder for the years ended March 31, 2008 and 2007.

(In millions)	Year Ended March 31, 2008 Combined	Year Ended March 31, 2007 Predecessor
Total Segment income	$ 644	$ 305
Depreciation and amortization	(403)	(233)
Interest expense and amortization of debt issuance costs	(218)	(224)
Interest income	19	16
Unrealized losses on change in fair value of derivative instruments, net	(3)	(152)
Impairment charges on long-lived assets	(1)	(8)
Adjustment to eliminate proportional consolidation(1)	(43)	(36)
Restructuring charges, net	(7)	(27)
Loss on disposals of assets, net	—	(6)
Other costs, net	(25)	4
Loss before income taxes	(37)	(361)
Income tax provision (benefit)	77	(99)
Net loss	(114)	(262)
Net income attributable to noncontrolling interests	3	3
Net loss attributable to our common shareholder	$ (117)	$ (265)

(1) Our financial information for our segments (including Segment income) includes the results of our non-consolidated affiliates on a proportionately consolidated basis, which is consistent with the way we manage our business segments. However, under GAAP, these non-consolidated affiliates are accounted for using the equity method of accounting. Therefore, in order to reconcile total Segment income to net loss attributable to our common shareholder, the proportional Segment income of these non-consolidated affiliates is removed from total Segment income, net of our share of their net after-tax results, which is reported as equity in net (income) loss of non-consolidated affiliates on our condensed consolidated statements of operations. See "Note 10 — Investment in and Advances to Non-Consolidated Affiliates and Related Party Transactions" to our Audited Financial Statements included elsewhere in this prospectus for further information about these non-consolidated affiliates.

Depreciation and amortization increased $170 million due to our acquisition by Hindalco. As a result of the acquisition, the consideration paid by Hindalco was pushed down to us and allocated to the assets acquired and liabilities assumed. As a result, property, plant and equipment and intangible assets increased by approximately $2.3 billion. The increase in asset values, all of which is non-cash, is charged to depreciation and amortization expense in future periods based on the estimated useful lives of the individual assets.

Interest expense and amortization of debt issuance costs decreased primarily due to the elimination of penalty interest incurred in the prior year as a result of our delayed filings with the SEC and lower interest rates on our variable rate debt in the current year.

Unrealized losses on the change in fair value of derivative instruments represent the mark-to-market accounting for changes in the fair value of our derivatives that do not receive hedge accounting treatment. Unrealized losses for the fiscal year ended March 31, 2008 decreased due to LME prices rising at the end of the period. Our principal exposure to LME prices is related to derivatives on fixed forward price contracts. We hedge these contracts by purchasing aluminum futures contracts and these contracts decrease in value in periods of declining LME.

Restructuring expenses decreased for the fiscal 2008 period as compared the fiscal 2007 period. During the fiscal 2007 period, we announced several restructuring programs related to our central management and administration offices in Zurich, Switzerland; our Neuhausen research and development center in Switzerland; our Göttingen facility in Germany; our facilities in Bridgnorth, U.K.; and the reorganization of our plants in Ohle and Ludenscheid, Germany, including the closing of two non-core business lines located within those facilities. Additionally, we continued to incur costs relating to the shutdown of our Borgofranco facility in Italy. We incurred aggregate restructuring charges of approximately $27 million in fiscal 2007 in connection with these programs. Through March 31, 2008, these actions were completed and no additional costs were incurred.

Corporate selling, general and administrative expenses decreased primarily through reduced spending on third party consultants at our corporate headquarters and lower long-term incentive compensation.

Included within other costs, net for the 2008 and 2007 periods are sales transaction fees of $32 million associated with the Arrangement.

For the year ended March 31, 2008, we recorded a $77 million income tax provision for taxes on our pre-tax loss of $63 million, before our equity in net (income) loss of non-consolidated affiliates, which represented an effective tax rate of (122)%. Our effective tax rate differs from the benefit at the Canadian statutory rate due primarily to (1) a $62 million provision for (a) pre-tax foreign currency gains or losses with no tax effect and (b) the tax effect of U.S. dollar denominated currency gains or losses with no pre-tax effect, (2) a $30 million provision for exchange remeasurement of deferred income taxes, (3) a $17 million benefit from the effects of enacted tax rate changes on cumulative taxable temporary differences, partially offset by (4) a $7 million increase in valuation allowances primarily related to tax losses in certain jurisdictions where we believe it is more likely than not that we will not be able to utilize those losses and (5) a $17 million increase in uncertain tax positions recorded under the provisions of FIN 48.

For the year ended March 31, 2007, we recorded a $99 million income tax benefit on our pre-tax loss of $377 million, before our equity in net (income) loss of non-consolidated affiliates, which represented an effective tax rate of 26%. Our effective tax rate is less than the benefit at the Canadian statutory rate due primarily to a $65 million benefit from differences between the Canadian statutory and foreign effective tax rates applied to entities in different jurisdictions, more than offset by (1) a $61 million increase in valuation allowances related to tax losses in certain jurisdictions where we believe it is more likely than not that we will not be able to utilize those losses, (2) an $11 million expense from expense/income items with no tax effect — net and (3) $11 million for (a) pre-tax foreign currency gains or losses with no tax effect and (b) the tax effect of U.S. dollar denominated currency gains or losses with no pre-tax effect.

Liquidity and Capital Resources

We believe we have adequate liquidity to meet our operational and capital requirements for the foreseeable future. Our primary sources of liquidity are available cash and cash equivalents, borrowing availability under our ABL Facility and future cash generated by operating activities. During the first nine months of fiscal 2009, our liquidity position decreased by $426 million as the global recession led to a rapid decline in aluminum prices and end-customer demand for flat-rolled products. However, for the fourth quarter of fiscal 2009 and the first quarter of fiscal 2010, our business operated with positive cash flow before financing activities despite continued low levels of demand and net cash outflows to settle derivative positions. This reflects our ongoing efforts to preserve liquidity through cost and capital spending controls and effective management of working capital. Risks associated with supplier terms, customer credit and broker hedging capacity, while still present to some degree, have been managed successfully to date with minimal negative impact on our business. We expect our liquidity position to improve during fiscal 2010 due primarily to reduced cash outflows for metal derivatives and cash savings from previously-announced restructuring programs.

Available Liquidity

Our estimated liquidity as of June 30, 2009, March 31, 2009, January 31, 2009 and March 31, 2008 is as follows:

(In millions)	June 30, 2009	March 31, 2009	January 31, 2009	March 31, 2008
Cash and cash equivalents	$ 237	$ 248	$ 190	$ 326
Overdrafts	(10)	(11)	(19)	(5)
Availability under the ABL Facility	299	233	255	582
Borrowing availability limitation due to fixed charge coverage ratio	(80)	(80)	(80)	(80)
Total estimated liquidity	$ 446	$ 390	$ 346	$ 823

Our liquidity position has improved since January 31, 2009 when our estimated liquidity was $346 million as disclosed in our third quarter Form 10-Q. In February 2009, we obtained the $100 million Unsecured Credit Facility from an affiliate of the Aditya Birla Group. At June 30, 2009, we had cash and cash equivalents of $237 million. Additionally, we had $299 million in remaining availability under our ABL Facility, before covenant restrictions. Following the completion of the offering of the old notes, we used approximately $81 million of the proceeds plus additional cash on hand to repay a portion of the outstanding amount under the ABL Facility.

Borrowings under the ABL Facility are generally based on 85% of eligible accounts receivable and 75% of eligible inventories. In addition, under the ABL Facility, if our excess availability under the ABL Facility is less than 10% of the lender commitments under the ABL Facility or less than 10% of our borrowing base, we are required to maintain a minimum fixed charge coverage ratio of at least 1 to 1. As of June 30, 2009, our fixed charge coverage ratio was less than 1 to 1 resulting in a reduction of availability under our ABL Facility of $80 million.

The cash and cash equivalent balance above includes cash held in foreign countries in which we operate. These amounts are generally available on a short-term basis, subject to regulatory requirements, in the form of a dividend or inter-company loan.

Near Term Challenges

Rapidly declining aluminum prices and reductions in demand during the second half of fiscal 2009 negatively impacted the cash generated by operations and increased the effect of timing issues related to our settlement of aluminum forward contracts versus cash collection from our customers. We enter into derivative instruments to hedge forecasted purchases and sales of aluminum. Based on the aluminum price forward curve as of June 30, 2009, we forecast $114 million of cash outflows related to settlement of these derivative instruments through the remainder of fiscal 2010. Except for $75 million of cash outflows related to hedges of our exposure to metal price ceilings, we expect all of these outflows will be recovered through collection of customer accounts receivable, typically on a 30 to 60 day lag. Accordingly, this difference in timing places pressure on our short-term liquidity.

We have an existing beverage can sheet umbrella agreement with North American bottlers ("BCS Agreement"). Pursuant to the BCS Agreement, an agent for the bottlers directs the can fabricators to source a percentage of their requirements for beverage can body, end and tab stock from us.

Under the BCS Agreement, the bottlers' agent has the right to request that we hedge the exposure to the price the bottlers will ultimately pay for aluminum. We treat this arrangement as a derivative for accounting purposes under FASB Statement No. 133, *Accounting for Derivative Instruments and Hedging Activities* ("FASB 133"). Upon receiving such requests, we enter into corresponding derivative instruments indexed to the LME price of aluminum with third party brokers. We settle the positions with the brokers at maturity and net settle the economic benefit or loss arising from the pricing requests, which may not occur for up to 13 months.

As of June 30, 2009, we settled a net $123 million of derivative losses for which we had not been reimbursed under the BCS Agreement. Based on the current forward curve of aluminum we do not anticipate a further negative impact on our liquidity as a result of this arrangement. We believe that collection on these receivables is reasonably certain based on the credit worthiness of the bottlers.

Operating Activities

Free cash flow (which is a non-GAAP measure) consists of: (a) net cash provided by (used in) operating activities, (b) plus net cash provided by (used in) investing activities and (c) less net proceeds from sales of assets. Management believes that Free cash flow is relevant to investors as it provides a measure of the cash generated internally that is available for debt service and other value creation opportunities. However, Free cash flow does not necessarily represent cash available for discretionary activities, as certain debt service obligations must be funded out of Free cash flow. Our method of calculating Free cash flow may not be consistent with that of other companies.

In our discussion of "Metal Price Ceilings," we have disclosed that certain customer contracts contain a fixed aluminum (metal) price ceiling beyond which the cost of aluminum cannot be passed through to the customer, unless adjusted. During the years ended March 31, 2009, 2008 and 2007 and the three months ended June 30, 2008, we were unable to pass through approximately $176 million, $230 million, $460 million and $78 million, respectively, of metal purchase costs associated with sales under these contracts. Net cash provided by operating activities were negatively impacted by the same amounts, adjusted for timing difference between customer receipts and vendor payments and offset partially by reduced income taxes. Based on current LME price levels and reduced demand for aluminum, no sales were incurred under the ceiling for the three months ended June 30, 2009 and no further unfavorable revenue or cash flow impacts are expected through December 31, 2009 when these contracts expire.

However, we previously entered into derivative instruments to hedge our exposure to increases in LME. As a result of these instruments, we will continue to incur cash outflows related to these contracts even if

LME remains below the ceiling price. As of June 30, 2009 and based on an aluminum price of $1,616 per tonne, projected cash flows associated with these derivative instruments was $75 million.

The following table shows the reconciliation from Net cash provided by (used in) operating activities to Free cash flow, the ending balances of cash and cash equivalents and the change between periods.

(In millions)	Three Months Ended June 30,		Year Ended March 31,			Change		
	2009 Successor	2008 Successor	2009 Successor	2008 Combined	2007 Predecessor	Three Months Ended June 30, 2009 Versus 2008	2009 Versus 2008	2008 Versus 2007
Net cash provided by (used in) operating activities	$ 258	$ (351)	$ (236)	$ 175	$ (166)	$ 609	$ (411)	$ 341
Net cash provided by (used in) investing activities	(235)	16	(111)	(96)	141	(251)	(15)	(237)
Less: Proceeds from sales of assets	(3)	(1)	(5)	(8)	(36)	(2)	3	28
Free cash flow	$ 20	$ (336)	$ (352)	$ 71	$ (61)	$ 356	$ (423)	$ 132
Ending cash and cash equivalents	$ 237	$ 296	$ 248	$ 326	$ 128	$ (59)	$ (78)	$ 198

Net cash provided by operating activities for the first quarter of fiscal 2010 significantly improved as compared to net cash used in the first quarter of fiscal 2009 due to higher net income in first quarter of fiscal 2010 and significant cash outflows associated with the working capital increases in the first quarter of fiscal 2009.

Our operations consumed cash at a higher rate during the year ended March 31, 2009 compared to the prior year period due to slowing business conditions and higher working capital levels associated with rapidly changing aluminum prices and the timing of payments made to suppliers, to brokers to settle derivative positions and ultimate settlement with our customers. Inventory levels were effectively managed despite slowing business conditions. Metal inventories as of March 31, 2009 totaled 299 kt, down 22% from March 31, 2008 levels.

We have historically maintained forfaiting and factoring arrangements in Asia and South America that provided additional liquidity in those segments. The current economic conditions have negatively impacted our ability to forfait our customer receivables as well as our suppliers' ability to provide extended payment terms.

In fiscal 2008, net cash provided by operating activities increased as a result of our reduced exposure to metal price ceiling contracts as discussed above. For the year ended March 31, 2008 our exposure to metal price ceilings decreased by approximately $230 million providing additional operating cash flow as compared to the prior year.

Net cash used in operating activities for fiscal 2008 was unfavorably impacted by one-time costs associated with or triggered by the Arrangement including: (1) $72 million paid in share-based compensation payments, (2) $42 million paid for sale transaction fees and (3) $25 million in bonus payments for the 2006 calendar year and the period from January 1, 2007 through May 15, 2007.

Dividends paid to our noncontrolling interests, primarily in our Asia operating segment, were $6 million, $8 million and $10 for fiscal 2009, 2008 and 2007, respectively.

The majority of our capital expenditures for fiscal 2009, 2008 and 2007 have been for projects devoted to product quality, technology, productivity enhancement and increased capacity. Capital expenditures were slightly higher in the fiscal 2008 period due, in part, to the construction of Novelis Fusion™ ingot casting lines in our European and Asian segments as well as additional planned maintenance activities, improvements to our Yeongju, Korea hot mill and other ancillary upgrades made in the first quarter of fiscal 2008. As a

result of the overall economic downturn, we have reduced our capital spending, with a focus on preserving maintenance and safety in the second half of fiscal 2009.

The settlement of derivative instruments resulted in an outflow of $8 million and reduction to Free cash flow for the year ended March 31, 2009 as compared to $55 million in cash contributed in fiscal 2008 and $191 million in fiscal 2007. The net outflow for fiscal 2009 was a result of settlements of $188 million in the fourth quarter of net derivative liabilities. Much of the proceeds received in 2007 related to aluminum call options purchased in the prior year to hedge against the risk of rising aluminum prices.

In 2008, Free cash flow was used primarily to increase our overall liquidity and pay for costs associated with the Hindalco transaction. Although our total debt increased from March 31, 2007 by $82 million, this was more than offset by an increase in our cash and cash equivalents of $198 million.

Investing Activities

The following table presents information regarding our Net cash provided by (used in) investing activities.

	Three Months Ended June 30,		Year Ended March 31,			Change		
(In millions)	2009	2008	2009	2008	2007	Three Months Ended June 30, 2009 Versus 2008	2009 Versus 2008	2008 Versus 2007
	Successor	Successor	Successor	Combined	Predecessor			
Capital expenditures	$ (24)	$ (33)	$ (145)	$ (202)	$ (119)	$ 9	$ 57	$ (83)
Proceeds from sales of assets	3	1	5	8	36	2	(3)	(28)
Changes to investment in and advances to non-consolidated affiliates	3	6	20	25	2	(3)	(5)	23
Proceeds from related parties loans receivable, net	6	8	17	18	31	(2)	(1)	(13)
Net proceeds (outflow) from settlement of derivative instruments	(223)	34	(8)	55	191	(257)	(63)	(136)
Net cash provided by (used in) investing activities	$ (235)	$ 16	$ (111)	$ (96)	$ 141	$ (251)	$ (15)	$ (237)

Net proceeds from settlement of derivative instruments and the magnitude of capital expenditures were discussed above in “Operating Activities” as both are included in our definition of Free cash flow. As noted above, we made reductions to capital expenditures in 2009 as a result of the overall economic downturn. We expect to maintain a level of capital expenditures in fiscal 2010 of between $90 and $100 million for items necessary to maintain comparable production, quality and market position levels (maintenance capital).

The settlement of derivative instruments resulted in an outflow of $223 million in the first quarter of fiscal 2010 as compared to $34 million in cash contributed in the first quarter of fiscal 2009. The net outflow for the first quarter of fiscal 2010 was primarily related to metal derivatives.

The majority of proceeds from asset sales in the first quarter of fiscal 2010 relate to asset sales in Europe. The majority of proceeds from asset sales in fiscal 2009 and 2008 are from the sale of land in Kingston, Ontario. Proceeds from sales of assets in 2007 include approximately $34 million received from the sale of certain upstream assets in South America.

Proceeds from loans receivable, net during all periods are primarily comprised of payments we received related to a loan due from our non-consolidated affiliate, Aluminium Norf GmbH.

Financing Activities

The following table presents information regarding our Net cash provided by financing activities.

(In millions)	Three Months Ended June 30,		Year Ended March 31,			Change		
	2009 Successor	2008 Successor	2009 Successor	2008 Combined	2007 Predecessor	Three Months Ended June 30, 2009 Versus 2008	2009 Versus 2008	2008 Versus 2007
Proceeds from issuance of common stock	$ —	$ —	$ —	$ 92	$ —	$ —	$ (92)	$ 92
Proceeds from issuance of debt	3	—	354	1,250	41	3	(896)	1,209
Principal repayments	(12)	(4)	(235)	(1,010)	(242)	(8)	775	(768)
Short-term borrowings, net	(33)	313	176	(181)	210	(346)	357	(391)
Dividends	(1)	—	(6)	(8)	(10)	(1)	2	2
Debt issuance costs	—	—	(3)	(39)	(10)	—	36	(29)
Proceeds from the exercise of stock options	—	—	—	1	29	—	(1)	(28)
Other	—	—	—	—	6	—	—	(6)
Net cash provided by (used in) financing activities	$ (43)	$ 309	$ 286	$ 105	$ 24	$ (352)	$ 181	$ 81

We reduced our borrowing level in the first quarter of fiscal 2010. During the first quarter of fiscal 2009, we increased our short-term borrowings under the ABL Facility to provide for general working capital requirements in a rising aluminum price environment.

As of June 30, 2009, our short-term borrowings were $237 million consisting of (1) $226 million of short-term loans under our ABL Facility, (2) a $7 million short-term loan in Italy and (3) $4 million in bank overdrafts. As of June 30, 2009, $31 million of our ABL Facility was utilized for letters of credit, and we had $299 million in remaining availability under the ABL Facility before covenant related restrictions. The weighted average interest rate on our total short-term borrowings was 2.81% and 2.75% as of June 30, 2009 and March 31, 2009, respectively.

As of June 30, 2009, we had an additional $71 million outstanding under letters of credit in Korea not included in our revolving credit facility.

In March 2009, we entered into a transaction in which we purchased 7.25% senior notes with a face value of $275 million with the net proceeds of an additional floating rate term loan with a face value of $220 million. The purchase was accounted for as a debt extinguishment and issuance of new debt, with the new debt recorded at its estimated fair value of $165 million.

In February 2009, to assist in maintaining adequate liquidity levels, we entered into the Unsecured Credit Facility of $100 million with a scheduled maturity date of January 15, 2015 from an affiliate of the Aditya Birla Group. For each advance under the Unsecured Credit Facility, interest is payable quarterly at a rate of 13% per annum prior to the first anniversary of the advance and 14% per annum thereafter, until the earlier of repayment or maturity. As of June 30, 2009, we had drawn down $94 million on the Unsecured Credit Facility. On August 11, 2009 we repaid in full and terminated the Unsecured Credit Facility with a portion of the proceeds of the offering of the old notes.

As a result of our acquisition by Hindalco, we were required to refinance our existing credit facility in fiscal 2008. Additionally, we refinanced debt in Asia due to its scheduled maturity. See “Note 12 — Debt” to our Audited Financial Statements and “Note 6 — Debt” to our Unaudited Financial Statements included elsewhere in this prospectus for additional information regarding our financing activities.

During the first quarter of fiscal 2008, we also amended our then existing senior secured credit facilities to increase their capacity by $150 million. We used these proceeds to reduce the outstanding balance of our then existing revolving credit facility, thus increasing our borrowing capacity. This additional capacity, along with $92 million of cash received from the issuance of additional shares indirectly to Hindalco, allowed us to fund general working capital requirements and certain costs associated with the Arrangement including the cash settlement of share-based compensation arrangements and lender fees. In July 2007, we refinanced our senior secured credit facilities, as discussed below.

Senior Secured Credit Facilities and Predecessor Financing

In connection with our spin-off from Alcan, we entered into senior secured credit facilities ("Old Credit Facilities") providing for aggregate borrowings of up to $1.8 billion. The Old Credit Facilities consisted of (1) a $1.3 billion seven-year senior secured term loan B facility, bearing interest at London Interbank Offered Rate ("LIBOR") plus 1.75% (which was subject to change based on certain leverage ratios), all of which was borrowed on January 10, 2005, and (2) a $500 million five-year multi-currency revolving credit and letters of credit facility.

On April 27, 2007, our lenders consented to the sixth amendment of our Old Credit Facilities. The amendment included increasing the term loan B facility by $150 million. We utilized the additional funds available under the term loan B facility to reduce the outstanding balance of our $500 million revolving credit facility. The additional borrowing capacity under the revolving credit facility was used to fund working capital requirements and certain costs associated with the Arrangement, including the cash settlement of share-based compensation arrangements and lender fees. Additionally, the amendment included a limited waiver of the change of control Event of Default (as defined in the Old Credit Facilities), which effectively extended the requirement to repay the Old Credit Facilities to July 11, 2007.

On May 25, 2007, we entered into a Bank and Bridge Facilities Commitment with affiliates of UBS Securities LLC and ABN AMRO Incorporated to provide backstop assurance for the refinancing of our existing indebtedness following the Arrangement. The commitments from UBS Securities LLC and ABN AMRO Incorporated, provided by the banks on a 50%-50% basis, consisted of the following: (1) a senior secured term loan of up to $1.06 billion; (2) a senior secured asset-based revolving credit facility of up to $900 million and (3) a commitment to issue up to $1.2 billion of unsecured senior notes, if necessary. The commitment contained terms and conditions customary for facilities of this nature.

On July 6, 2007, we entered into new senior secured credit facilities with a syndicate of lenders led by affiliates of UBS Securities LLC and ABN AMRO Incorporated providing for aggregate borrowings of up to $1.76 billion, consisting of (1) a $960 million seven-year Term Loan Facility that can be increased by up to $400 million subject to the satisfaction of certain conditions and (2) an $800 million five-year multi-currency ABL Facility. The proceeds from the Term Loan Facility of $960 million, drawn in full at the time of closing, and an initial draw of $324 million under the ABL Facility were used to pay off our Old Credit Facilities, pay for debt issuance costs of the senior secured credit facilities and provide for additional working capital. Mandatory minimum principal amortization payments under the Term Loan Facility are $2.95 million per calendar quarter. The first minimum principal amortization payment was made on September 30, 2007. Additional mandatory prepayments are required to be made for certain collateral liquidations, asset sales, debt and preferred stock issuances, equity issuances, casualty events and excess cash flow (as defined in the senior secured credit facilities). Any unpaid principal is due in full on July 6, 2014.

Under the Term Loan Facility, loans characterized as alternate base rate borrowings bear interest annually at a rate equal to the alternate base rate (which is the greater of (a) the base rate in effect on a given day and (b) the federal funds effective rate in effect on a given day, plus 0.50%) plus a margin of 1.00%. Loans characterized as Eurocurrency borrowings bear interest at an annual rate equal to the adjusted LIBOR rate for the interest period in effect, plus a margin of 2.00%. Generally, for both the Term Loan Facility and ABL Facility, interest rates reset periodically, and interest is payable on a periodic basis depending on the type of loan.

Borrowings under the ABL Facility are generally based on 85% of eligible accounts receivable and 75% of eligible inventories. Commitment fees ranging from 0.25% to 0.375% are based on average daily amounts outstanding under the ABL Facility during a fiscal quarter and are payable quarterly.

Substantially all of our assets are pledged as collateral under the senior secured credit facilities. The senior secured credit facilities are also guaranteed by substantially all of our restricted subsidiaries that guarantee our 7.25% senior notes and that guarantee the old notes. The senior secured credit facilities also include customary affirmative and negative covenants. Under the ABL Facility, if our excess availability, as defined under the ABL Facility, is less than 10% of the lender commitments under the ABL Facility or 10% of our borrowing base, we are required to maintain a minimum fixed charge coverage ratio of 1 to 1.

In March 2009, we purchased $275 million of 7.25% senior notes with the net proceeds of an additional term loan under the Term Loan Facility with a face value of $220 million. The additional term loan was recorded at a fair value of $165 million determined using a discounted cash flow model. The difference between the fair value and the face value of the new term loan will be accreted over the life of the term loan using the effective interest method, resulting in additional non-cash interest expense.

As of June 30, 2009, the senior secured credit facilities consisted of (1) the $1.16 billion seven-year Term Loan Facility and (2) the $800 million five-year ABL Facility.

7.25% Senior Notes

On February 3, 2005, we issued $1.4 billion aggregate principal amount of senior unsecured debt securities. The senior notes were priced at par, bear interest at 7.25% and mature on February 15, 2015. The 7.25% senior notes are guaranteed by all of our Canadian and U.S. restricted subsidiaries, certain of our foreign restricted subsidiaries and our other restricted subsidiaries that guarantee our senior secured credit facilities and that guarantee the old notes.

Under the indenture that governs the 7.25% senior notes, we are subject to certain restrictive covenants applicable to incurring additional debt and providing additional guarantees, paying dividends beyond certain amounts and making other restricted payments, sales and transfers of assets, certain consolidations or mergers, and certain transactions with affiliates.

Pursuant to the terms of the indenture governing our 7.25% senior notes, we were obligated, within 30 days of closing of the Arrangement, to make an offer to purchase the 7.25% senior notes at a price equal to 101% of their principal amount, plus accrued and unpaid interest to the date the 7.25% senior notes were purchased. Consequently, we commenced a tender offer on May 16, 2007 to repurchase all of the outstanding 7.25% senior notes at the prescribed price. This offer expired on July 3, 2007 with holders of approximately $1 million of principal presenting their 7.25% senior notes pursuant to the tender offer.

As described above, in March 2009, we entered into a transaction in which we purchased 7.25% senior notes with a face value of $275 million with the net proceeds of an additional floating rate term loan with a face value of $220 million.

Korean Bank Loans

In November 2004, Novelis Korea Limited ("Novelis Korea"), formerly Alcan Taihan Aluminium Limited, entered into a Korean won ("KRW") 40 billion ($40 million) floating rate long-term loan due November 2007. We immediately entered into an interest rate swap to fix the interest rate at 4.80%. In August 2007, we refinanced this loan with a floating rate short-term borrowing in the amount of $40 million due by August 2008. We recognized a loss on extinguishment of debt of less than $1 million in connection with this refinancing. Additionally, we immediately entered into an interest rate swap and cross currency swap for the new loan through a 3.94% fixed rate KRW 38 billion ($38 million) loan.

In December 2004, we entered into (1) a $70 million floating rate loan and (2) a KRW 25 billion ($25 million) floating rate loan, both due in December 2007. We immediately entered into an interest rate and cross-currency swap on the $70 million floating rate loan through a 4.55% fixed rate KRW 73 billion

($73 million) loan and an interest rate swap on the KRW 25 billion floating rate loan to fix the interest rate at 4.45%. In October 2007, we entered into a $100 million floating rate loan due October 2010 and immediately repaid the $70 million loan. In December 2007, we repaid the KRW 25 billion loan from the proceeds of the $100 million floating rate loan. Additionally, we immediately entered into an interest rate swap and cross currency swap for the $100 million floating rate loan through a 5.44% fixed rate KRW 92 billion ($92 million) loan.

In November 2008, we entered into a 7.47% interest rate KRW 10 billion ($7 million) bank loan due May 2009. In February 2009, we entered into a 3.94% interest rate KRW 50 billion ($37 million) bank loan due February 2010.

Interest Rate Swaps

As of June 30, 2009, we had entered into interest rate swaps to fix the variable interest rate on $920 million of our floating rate Term Loan Facility. We are still obligated to pay any applicable margin, as defined in our senior secured credit facilities. Interest rates swaps related to $400 million at an effective weighted average interest rate of 4.0% expire March 31, 2010. In January 2009, we entered into two interest rate swaps to fix the variable interest rate on an additional $300 million of our floating rate Term Loan Facility at a rate of 1.49%, plus any applicable margin. These interest rate swaps are effective from March 31, 2009 through March 31, 2011. In April 2009, we entered into an additional $220 million interest rate swap at a rate of 1.97%, which is effective through April 30, 2012.

As of June 30, 2009, we have an interest rate swap in Korea on our $100 million bank loan through a 5.44% fixed rate KRW 92 billion ($92 million) loan. The interest rate swap expires in October 2010.

As of June 30, 2009 approximately 79% of our debt was fixed rate and approximately 21% was variable-rate.

Issuance of Additional Common Stock

On June 22, 2007, we issued 2,044,122 additional shares to AV Aluminum for $44.93 per share resulting in an additional equity contribution of $92 million. This contribution was equal in amount to certain payments made by Novelis related to change in control compensation to certain employees and directors, lender fees and other transaction costs incurred by the company.

Off-Balance Sheet Relationships

In accordance with SEC rules, the following qualify as off-balance sheet arrangements:

- any obligation under certain derivative instruments;
- any obligation under certain guarantees or contracts;
- a retained or contingent interest in assets transferred to an unconsolidated entity or similar entity or similar arrangement that serves as credit, liquidity or market risk support to that entity for such assets; and
- any obligation under a material variable interest held by the registrant in an unconsolidated entity that provides financing, liquidity, market risk or credit risk support to the registrant, or engages in leasing, hedging or research and development services with the registrant.

The following discussion addresses the applicable off-balance sheet items for our company.

Derivative Instruments

As of June 30, 2009, we had derivative financial instruments, as defined by FASB 133. See “Note 16 — Financial Instruments and Commodity Contracts” to our Audited Financial Statements and “Note 10 — Financial Instruments and Commodity Contracts” to our Unaudited Financial Statements included elsewhere in this prospectus.

In conducting our business, we use various derivative and non-derivative instruments to manage the risks arising from fluctuations in exchange rates, interest rates, aluminum prices and energy prices. Such instruments are used for risk management purposes only. We may be exposed to losses in the future if the counterparties to the contracts fail to perform. We are satisfied that the risk of such non-performance is remote due to our monitoring of credit exposures. Our ultimate gain or loss on these derivatives may differ from the amount recognized in our consolidated balance sheet as of June 30, 2009 included elsewhere in this prospectus.

The decision of whether and when to execute derivative instruments, along with the duration of the instrument, can vary from period to period depending on market conditions, the relative costs of the instruments and capacity to hedge. The duration is always linked to the timing of the underlying exposure, with the connection between the two being regularly monitored.

The current and noncurrent portions of derivative assets and the current portion of derivative liabilities are presented on the face of our accompanying consolidated balance sheets. The noncurrent portions of derivative liabilities are included in Other long-term liabilities in our consolidated balance sheets included elsewhere in this prospectus.

The fair values of our financial instruments and commodity contracts as of June 30, 2009 and March 31, 2009 are as follows:

	June 30, 2009				
	Assets		Liabilities		Net Fair Value
(In millions)	Current	Noncurrent	Current	Noncurrent	Assets/(Liabilities)
Successor					
Derivatives designated as hedging instruments:					
Currency exchange contracts	$ —	$ —	$ (1)	$ (23)	$ (24)
Interest rate swaps	—	3	(14)	—	(11)
Electricity swap	—	—	(4)	(2)	(6)
Total derivatives designated as hedging instruments	—	3	(19)	(25)	(41)
Derivatives not designated as hedging instruments:					
Aluminum forward contracts	86	27	(268)	(7)	(162)
Currency exchange contracts	25	28	(44)	(4)	5
Energy contracts	—	—	(7)	—	(7)
Total derivatives not designated as hedging instruments	111	55	(319)	(11)	(164)
Total derivative fair value	$ 111	$ 58	$ (338)	$ (36)	$ (205)

(In millions)	March 31, 2009				
	Assets		Liabilities		Net Fair Value
	Current	Noncurrent	Current	Noncurrent	Assets/(Liabilities)
Successor					
Derivatives designated as hedging instruments:					
Currency exchange contracts	$ —	$ —	$ —	$ (11)	$ (11)
Interest rate swaps	—	—	(13)	—	(13)
Electricity swap	—	—	(6)	(12)	(18)
Total derivatives designated as hedging instruments	—	—	(19)	(23)	(42)
Derivatives not designated as hedging instruments:					
Aluminum contracts	99	41	(532)	(13)	(405)
Currency exchange contracts	20	31	(77)	(12)	(38)
Energy contracts	—	—	(12)	—	(12)
Total derivatives not designated as hedging instruments	119	72	(621)	(25)	(455)
Total derivative fair value	$ 119	$ 72	$ (640)	$ (48)	$ (497)

Net Investment Hedges

We use cross currency swaps to manage our exposure to fluctuating exchange rates arising from our loans to and investments in our European operations. The effective portion of gain or loss on the fair value of the derivative is included in other comprehensive income (loss) ("OCI"). Prior to the Arrangement, the effective portion on the derivative was included in change in fair value of effective portion of hedges, net. After the completion of the Arrangement, the effective portion on the derivative is included in currency translation adjustments. The ineffective portion of gain or loss on the derivative is included in (gain) loss on change in fair value of derivative instruments, net. We had cross currency swaps of EUR 135 million against the U.S. dollar outstanding as of both June 30, 2009 and March 31, 2009, respectively.

The following table summarizes the amount of gain (loss) we recognized in OCI related to our net investment hedge derivatives.

(In millions)	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Year Ended March 31, 2009	May 16, 2007 through March 31, 2008	April 1, 2007 through May 15, 2007
	Successor	Successor	Successor	Successor	Predecessor
Currency exchange contracts	$ (16)	$ 28	$ 169	$ (82)	$ (8)

Cash Flow Hedges

We own an interest in an electricity swap which we have designated as a cash flow hedge against our exposure to fluctuating electricity prices. The effective portion of gain or loss on the derivative is included in OCI and reclassified when settled into (gain) loss on change in fair value of derivatives, net in our consolidated statements of operations included elsewhere in this prospectus. As of June 30, 2009, the outstanding portion of this swap included 1.9 million megawatt hours through 2017.

We use interest rate swaps to manage our exposure to changes in the benchmark LIBOR interest rate arising from our variable-rate debt. We have designated these as cash flow hedges. The effective portion of gain or loss on the derivative is included in OCI and reclassified when settled into interest expense and amortization of debt issuance costs in our accompanying consolidated statements of operations. We had $910 million and $690 million of outstanding interest rate swaps designated as cash flow hedges as of June 30, 2009 and March 31, 2009, respectively.

For all derivatives designated as cash flow hedges, gains or losses representing hedge ineffectiveness are recognized in (gain) loss on change in fair value of derivative instruments, net in our current period earnings. If at any time during the life of a cash flow hedge relationship we determine that the relationship is no longer effective, the derivative will be de-designated as a cash flow hedge. This could occur if the underlying hedged exposure is determined to no longer be probable, or if our ongoing assessment of hedge effectiveness determines that the hedge relationship no longer meets the measures we have established at the inception of the hedge. Gains or losses recognized to date in accumulated other comprehensive income (loss) ("AOCI") would be immediately reclassified into current period earnings, as would any subsequent changes in the fair value of any such derivative.

During the next 12 months we expect to realize $11 million in effective net losses from our cash flow hedges. The maximum period over which we have hedged our exposure to cash flow variability is through 2017.

The following tables summarize the impact on AOCI and earnings of derivative instruments designated as cash flow hedge.

	Gain (Loss) Recognized in OCI		Gain (Loss) Reclassified from AOCI into Income		Gain or (Loss) Recognized in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing)	
(In millions)	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008
	Successor	Successor	Successor	Successor	Successor	Successor
Energy contracts	$ 9	$ 10	$ (1)	$ (3)	$ 2	$ —
Interest rate swaps	$ 1	$ 6	$ —	$ —	$ —	$ —

	Gain (Loss) Recognized in OCI	Gain (Loss) Reclassified from AOCI into Income	Gain or (Loss) Recognized in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing)
(In millions)	Year Ended March 31, 2009	Year Ended March 31, 2009	Year Ended March 31, 2009
	Successor	Successor	Successor
Energy contracts	$ (21)	$ 12	$ —
Interest rate swaps	$ 3	$ —	$ —

	Gain (Loss) Recognized in OCI		Gain (Loss) Reclassified from AOCI into Income		Gain (Loss) Recognized in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing)	
(In millions)	May 16, 2007 through March 31, 2008	April 1, 2007 through May 15, 2007	May 16, 2007 through March 31, 2008	April 1, 2007 through May 15, 2007	May 16, 2007 through March 31, 2008	April 1, 2007 through May 15, 2007
	Successor	Predecessor	Successor	Predecessor	Successor	Predecessor
Currency exchange contracts	$ —	$ 4	$ —	$ 1	$ —	$ —
Energy contracts	$ 23	$ 4	$ 8	$ —	$ —	$ —
Interest rate swaps	$ (15)	$ —	$ —	$ —	$ (1)	$ —

Derivative Instruments Not Designated as Hedges

We use aluminum forward contracts and options to hedge our exposure to changes in the LME price of aluminum. These exposures arise from firm commitments to sell aluminum in future periods at fixed or capped prices, the forecasted output of our smelter operations in South America and the forecasted metal price lag associated with firm commitments to sell aluminum in future periods at prices based on the LME. In addition,

transactions with certain customers meet the definition of a derivative under FASB 133 and are recognized as assets or liabilities at fair value on the accompanying consolidated balance sheets. As of June 30, 2009 and March 31, 2009, we had 362 kt and 294 kt, respectively, of outstanding aluminum contracts not designated as hedges.

We have an embedded derivative which arises from a contractual relationship with a customer that entitles us to pass-through the economic effect of trading positions that we take with other third parties on our customers' behalf.

We use foreign exchange forward contracts and cross currency swaps to manage our exposure to changes in exchange rates. These exposures arise from recorded assets and liabilities, firm commitments and forecasted cash flows denominated in currencies other than the functional currency of certain of our operations. As of June 30, 2009 and March 31, 2009, we had outstanding currency exchange contracts with a total notional amount of $1.3 billion and $1.4 billion, respectively, not designated as hedges.

We use interest rate swaps to manage our exposure to fluctuating interest rates associated with variable-rate debt. As of June 30, 2009 and March 31, 2009, we had $10 million and $10 million, respectively, of outstanding interest rate swaps that were not designated as hedges.

We use heating oil swaps and natural gas swaps to manage our exposure to fluctuating energy prices in North America. As of June 30, 2009 and March 31, 2009, we had 3.3 million gallons and 3.4 million gallons, respectively, of heating oil swaps and 2.8 million MMBtus and 3.8 million MMBtus, respectively, of natural gas that were not designated as hedges.

While each of these derivatives is intended to be effective in helping us manage risk, they have not been designated as hedging instruments under FASB 133. The change in fair value of these derivative instruments is included in (gain) loss on change in fair value of derivative instruments, net in our consolidated statement of operations included elsewhere in this prospectus.

The following table summarizes the gains (losses) recognized in current period earnings.

(In millions)	Three Months Ended June 30, 2009 Successor	Three Months Ended June 30, 2008 Successor	Year Ended March 31, 2009 Successor	May 16, 2007 through March 31, 2008 Successor	April 1, 2007 through May 15, 2007 Predecessor
Derivative Instruments Not Designated as Hedges					
Aluminum contracts	$ 48	$ 22	$ (561)	$ 44	$ 7
Currency exchange contracts	22	32	21	(44)	10
Energy contracts	—	7	(29)	12	3
Gain (loss) recognized	70	61	(569)	12	20
Derivative Instruments Designated as Cash Flow Hedges					
Interest rate swaps	—	—	—	(1)	—
Electricity swap	2	4	13	11	—
Gain (loss) on change in fair value of derivative instruments, net	$ 72	$ 65	$ (556)	$ 22	$ 20

Guarantees of Indebtedness

We have issued guarantees on behalf of certain of our subsidiaries and non-consolidated affiliates, including certain of our wholly-owned subsidiaries and Aluminium Norf GmbH, which is a 50% owned joint venture that does not meet the requirements for consolidation under FASB Interpretation No. 46 (Revised), *Consolidation of Variable Interest* Entities ("FIN 46(R)").

In the case of our wholly-owned subsidiaries, the indebtedness guaranteed is for trade accounts payable to third parties. Some of the guarantees have annual terms while others have no expiration and have termination notice requirements. Neither we nor any of our subsidiaries or non-consolidated affiliates holds any assets of any third parties as collateral to offset the potential settlement of these guarantees.

Since we consolidate wholly-owned and majority-owned subsidiaries in our consolidated financial statements, all liabilities associated with trade payables and short-term debt facilities for these entities are already included in our consolidated balance sheets.

The following table discloses information about our obligations under guarantees of indebtedness of others as of June 30, 2009. We did not have any obligations under guarantees of indebtedness related to our majority-owned subsidiaries as of June 30, 2009.

(In millions)	Maximum Potential Future Payment	Liability Carrying Value
Wholly-owned Subsidiaries	$ 45	$ 7
Aluminium Norf GmbH	14	—

We have no retained or contingent interest in assets transferred to an unconsolidated entity or similar entity or similar arrangement that serves as credit, liquidity or market risk support to that entity for such assets.

Other Arrangements

Forfaiting of Trade Receivables

Novelis Korea forfaits trade receivables in the ordinary course of business. These trade receivables are typically outstanding for 60 to 120 days. Forfaiting is a non-recourse method to manage credit and interest rate risks. Under this method, customers contract to pay a financial institution. The institution assumes the risk of non-payment and remits the invoice value (net of a fee) to us after presentation of a proof of delivery of goods to the customer. We do not retain a financial or legal interest in these receivables, and they are not included in our consolidated balance sheets.

Factoring of Trade Receivables

Our Brazilian operations factor, without recourse, certain trade receivables that are unencumbered by pledge restrictions. Under this method, customers are directed to make payments on invoices to a financial institution, but are not contractually required to do so. The financial institution pays us any invoices it has approved for payment (net of a fee). We do not retain financial or legal interest in these receivables, and they are not included in our consolidated balance sheets.

Summary Disclosures of Forfaited and Factored Financial Amounts

The following tables summarize our forfaiting and factoring amounts.

(In millions)	Year Ended March 31, 2009	May 16, 2007 through March 31, 2008	April 1, 2007 through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
	Successor	Successor	Predecessor	Predecessor	Predecessor
Receivables forfaited	$ 570	$ 507	$ 51	$ 68	$ 424
Receivables factored	70	75	—	18	71
Forfaiting expense	5	6	1	1	5
Factoring expense	1	1	—	—	1

(In millions)	March 31, 2009 Successor	2008 Successor
Forfaited receivables outstanding	$ 71	$ 149
Factored receivables outstanding	—	—

The amount of forfaited receivables outstanding decreased as of March 31, 2009 as compared to March 31, 2008 primarily due to decline in the LME price from March 31, 2008 to March 31, 2009 which resulted in a smaller amount of receivables available for forfaiting, as well as tightening in the credit markets. Forfaited receivables outstanding were $80 million as of June 30, 2009. Factored receivables outstanding were $20 million as of June 30, 2009.

Other

As part of our ongoing business, we do not participate in transactions that generate relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities ("SPEs"), which would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes. As of June 30, 2009 and March 31, 2009, we were not involved in any unconsolidated SPE transactions.

Contractual Obligations

We have future obligations under various contracts relating to debt and interest payments, capital and operating leases, long-term purchase obligations, and postretirement benefit plans. The following table presents our estimated future payments under contractual obligations that existed as of March 31, 2009, based on undiscounted amounts. Our contractual obligations as of June 30, 2009 have not changed materially from the contractual obligations outstanding as of March 31, 2009. The future cash flow commitments that we may have related to derivative contracts are not estimable and are therefore not included. Furthermore, due to the difficulty in determining the timing of settlements, the table excludes $61 million of uncertain tax positions. See "Note 19 — Income Taxes" to our Audited Financial Statements included elsewhere in this prospectus.

(In millions)	Total	Less Than 1 Year	1-3 Years	3-5 Years	More Than 5 Years
Debt(1)	$ 2,522	$ 56	$ 126	$ 22	$ 2,318
Interest on long-term debt(2)	754	159	306	200	89
Capital leases(3)	68	7	14	13	34
Operating leases(4)	96	19	30	24	23
Purchase obligations(5)	7,205	2,035	3,121	1,303	746
Unfunded pension plan benefits(6)	120	12	21	24	63
Other post-employment benefits(6)	114	7	17	21	69
Funded pension plans(6)	52	52	—	—	—
Total	$ 10,931	$ 2,347	$ 3,635	$ 1,607	$ 3,342

(1) Includes only principal payments on our 7.25% senior notes, Term Loan Facility, ABL Facility and notes payable to banks and others. These amounts exclude payments under capital lease obligations.

(2) Interest on our fixed rate debt is estimated using the stated interest rate. Interest on our variable-rate debt is estimated using the rate in effect as of March 31, 2009 and includes the effect of current interest rate swap agreements. Actual future interest payments may differ from these amounts based on changes in floating interest rates or other factors or events. These amounts include an estimate for unused commitment fees. Excluded from these amounts are interest related to capital lease obligations, the amortization of debt issuance and other costs related to indebtedness.

(3) Includes both principal and interest components of future minimum capital lease payments. Excluded from these amounts are insurance, taxes and maintenance associated with the property.

(4) Includes the minimum lease payments for non-cancelable leases for property and equipment used in our operations. We do not have any operating leases with contingent rents. Excluded from these amounts are insurance, taxes and maintenance associated with the properties and equipment.

(5) Includes agreements to purchase goods (including raw materials and capital expenditures) and services that are enforceable and legally binding on us, and that specify all significant terms. Some of our raw material purchase contracts have minimum annual volume requirements. In these cases, we estimate our future purchase obligations using annual minimum volumes and costs per unit that were in effect as of March 31, 2009. Due to volatility in the cost of our raw materials, actual amounts paid in the future may differ from these amounts. Excluded from these amounts are the impact of any derivative instruments and any early contract termination fees, such as those typically present in energy contracts.

(6) Obligations for postretirement benefit plans are estimated based on actuarial estimates using benefit assumptions for, among other factors, discount rates, rates of compensation increases, and healthcare cost trends. Payments for unfunded pension plan benefits and other post-employment benefits are estimated through 2016. For funded pension plans, estimating the requirements beyond fiscal 2010 is not practical, as it depends on the performance of the plans' investments, among other factors.

Dividends

On March 1, 2005, our board of directors approved the adoption of a quarterly dividend on our common shares. The following table shows information regarding dividends declared on our common shares since our inception.

Declaration Date	Record Date	Dividend/ Share (in $)	Payment Date
March 1, 2005	March 11, 2005	0.09	March 24, 2005
April 22, 2005	May 20, 2005	0.09	June 20, 2005
July 27, 2005	August 22, 2005	0.09	September 20, 2005
October 28, 2005	November 21, 2005	0.09	December 20, 2005
February 23, 2006	March 8, 2006	0.09	March 23, 2006
April 27, 2006	May 20, 2006	0.09	June 20, 2006
August 28, 2006	September 7, 2006	0.01	September 25, 2006
October 26, 2006	November 20, 2006	0.01	December 20, 2006

No dividends have been declared since October 26, 2006. Future dividends are at the discretion of the board of directors and will depend on, among other things, our financial resources, cash flows generated by our business, our cash requirements, restrictions under the instruments governing our indebtedness, being in compliance with the appropriate indentures and covenants under the instruments that govern our indebtedness that would allow us to legally pay dividends and other relevant factors.

Environment, Health and Safety

We strive to be a leader in environment, health and safety ("EHS"). Our EHS system is aligned with ISO 14001, an international environmental management standard, and OHSAS 18001, an international occupational health and safety management standard. All of our facilities are expected to implement the necessary management systems to support ISO 14001 and OHSAS 18001 certifications. As of June 30, 2009, all of our manufacturing facilities worldwide were ISO 14001 certified, 31 facilities were OHSAS 18001 certified and 29 facilities have dedicated quality improvement management systems.

Our capital expenditures for environmental protection and the betterment of working conditions in our facilities were $5 million in fiscal 2009. We expect these capital expenditures will be approximately $12 million and $13 million in fiscal 2010 and 2011, respectively. In addition, expenses for environmental protection (including estimated and probable environmental remediation costs as well as general environmental

protection costs at our facilities) were $28 million in fiscal 2009, and are expected to be $37 million and $32 million in fiscal 2010 and 2011. Generally, expenses for environmental protection are recorded in Cost of goods sold. However, significant remediation costs that are not associated with on-going operations are recorded in Other (income) expenses, net.

Material Weakness

Pursuant to the Sarbanes-Oxley Act of 2002, we are required to provide a report by management in our Form 10-K on internal control over financial reporting, including management's assessment of the effectiveness of such control. Internal control over financial reporting may not prevent or detect misstatements because of its inherent limitations, including the possibility of human error, the circumvention or overriding of controls or fraud. Therefore, even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. If we fail to maintain the adequacy of our internal controls, we may be unable to provide financial information in a timely and reliable manner. Any such difficulties or failure may have a material adverse effect on our business, financial condition and operating results.

In July 2008, we identified non-cash errors relating to our purchase accounting for an equity method investee including related income tax accounts. As a result of our identification of these errors, our Audit Committee and management concluded on August 1, 2008, that our previously issued consolidated financial statements for our fiscal year ended March 31, 2008, should no longer be relied upon. Upon conducting a review of these accounting errors, management determined that as of March 31, 2008, we had a material weakness with respect to the application of purchase accounting for an equity method investee including the related income tax accounts. Specifically, our controls did not ensure the accuracy and validity of our purchase accounting adjustments for an equity method investee. This control deficiency could result in a material misstatement of our "Investment in and advances to non-consolidated affiliates" and "Equity in net (income) loss of non-consolidated affiliates" in our consolidated financial statements that would result in a material misstatement of our annual or interim consolidated financial statements that would not be prevented or detected. Accordingly, management has determined that this control deficiency constitutes a material weakness. This material weakness was disclosed in our amended Annual Report on Form 10-K for the fiscal year ended March 31, 2008, our quarterly report on Form 10-Q for the period ended June 30, 2008, our quarterly report on Form 10-Q for the period ended September 30, 2008, our quarterly report on form 10-Q for the period ended December 31, 2008, our Annual Report on Form 10-K for the fiscal year ended March 31, 2009, and our quarterly report on Form 10-Q for the period ended June 30, 2009. This material weakness still existed as of June 30, 2009.

Our plan for remediating this material weakness includes the following:

1. We conducted a full review of the purchase accounting for the Hindalco acquisition, including a review of the valuation approach, as well as the related accounting for equity method investees and related income tax accounts. This review was conducted by the Principal Financial Officer, corporate and regional financial officers, corporate and regional tax personnel and the Company's external valuation expert. This aspect of our remediation plan has been completed.

2. Management re-evaluated all accounting and financial reporting controls for purchase accounting and equity method investees, including related income tax accounts. This aspect of our remediation plan has been completed.

3. Training sessions were conducted for key financial and tax personnel regarding equity method accounting and related income tax accounting matters. This aspect of our remediation plan has been completed.

4. Management is transitioning certain purchase accounting responsibilities to our regional financial personnel, including tax personnel, and developing procedures to monitor the ongoing activity of this entity. This aspect of our remediation plan has not yet been completed.

Critical Accounting Policies and Estimates

Our discussion and analysis of our results of operations and liquidity and capital resources are based on our consolidated financial statements which have been prepared in accordance with GAAP. In connection with the preparation of our consolidated financial statements, we are required to make assumptions and estimates about future events, and apply judgments that affect the reported amounts of assets, liabilities, revenue, expenses, and the related disclosures. We base our assumptions, estimates and judgments on historical experience, current trends and other factors we believe to be relevant at the time we prepared our consolidated financial statements. On a regular basis, we review the accounting policies, assumptions, estimates and judgments to ensure that our consolidated financial statements are presented fairly and in accordance with GAAP. However, because future events and their effects cannot be determined with certainty, actual results could differ from our assumptions and estimates, and such differences could be material.

Our significant accounting policies are discussed in "Note 1 — Business and Summary of Significant Accounting Policies" to our Audited Financial Statements and "Note 1 — Business and Summary of Significant Accounting Policies" to our Unaudited Financial Statements included elsewhere in this prospectus. We believe the following accounting policies are the most critical to aid in fully understanding and evaluating our reported financial results, as they require management to make difficult, subjective or complex judgments, and to make estimates about the effect of matters that are inherently uncertain. We have reviewed these critical accounting policies and related disclosures with the Audit Committee.

Derivative Financial Instruments

We use derivative instruments to manage our exposure to changes in commodity prices, foreign currency exchange rates, energy prices and interest rates. Derivative instruments we use are primarily commodity forward and option contracts, foreign currency forward contracts and interest swaps. Our operations and cash flows are subject to fluctuations due to changes in commodity prices, foreign currency exchange rates, energy prices and interest rates.

We are exposed to changes in aluminum prices through arrangements where the customer has received a fixed price commitment from us. We attempt to manage this risk by hedging future purchases of metal required for these firm commitments. In addition, we hedge a portion of our future production.

To the extent that these exposures are not fully hedged, we are exposed to gains and losses when changes occur in the market price of aluminum. Hedges of specific arrangements and future production increase or decrease the fair value by approximately $40 million for a 10% change in the market value of aluminum as of June 30, 2009.

Short-term exposures to changing foreign currency exchange rates occur due to operating cash flows denominated in foreign currencies. We manage this risk with forward currency swap contracts and currency exchange options. Our most significant foreign currency exposures relate to the euro, Brazilian real and the Korean won. We assess market conditions and determine an appropriate amount to hedge based on pre-determined policies.

To the extent that foreign currency operating cash flows are not fully hedged, we are exposed to foreign exchange gains and losses. In the event that we choose not to hedge a foreign currency cash flow, an adverse movement in rates could impact our earnings and cash flows. A 10% instantaneous appreciation of all foreign exchange rates against the U.S. dollar would reduce the fair value of our currency derivatives by approximately $50 million as of June 30, 2009.

We are exposed to changes in interest rates due to our financing, investing and cash management activities. We may enter into interest rate swap contracts to protect against our exposure to changes in future interest rates, which requires deciding how much of the exposure to hedge based on our sensitivity to variable-rate fluctuations.

To the extent that we choose to hedge our interest costs, we are able to avoid the impacts of changing interest rates on our interest costs. In the event that we do not hedge a floating rate debt a movement in

market interest rates could impact our interest cost. As of June 30, 2009, a 10% change in the market interest rate would increase or decrease the fair value of our interest rate hedges by $2 million. A 12.5 basis point change in market interest rates as of June 30, 2009 would increase or decrease our unhedged interest cost on floating rate debt by approximately $1 million.

The majority of our derivative contracts are valued using industry-standard models that use observable market inputs as their basis, such as time value, forward interest rates, volatility factors, and current (spot) and forward market prices for foreign exchange rates. See “Note 17 — Fair Value of Assets and Liabilities” to our Audited Financial Statements and “Note 11 — Fair Value Measurements” to our Unaudited Financial Statements included elsewhere in this prospectus for discussion on fair value of derivative instruments.

Impairment of Goodwill

Goodwill represents the excess of the purchase price over the fair value of the net assets of acquired companies. As a result of the Arrangement, we estimated fair value of goodwill using a number of factors, including the application of multiples and discounted cash flow estimates. We have allocated goodwill to our operating segments in North America, Europe and South America, which are also reporting units for purposes of performing our goodwill impairment testing. Goodwill is not amortized; instead, it is tested for impairment annually, or more frequently if indicators of impairment exist. On an ongoing basis, absent any impairment indicators, we perform our goodwill impairment testing as of the last day of February of each year.

We test consolidated goodwill for impairment using a fair value approach at the reporting unit level. We use our operating segments as our reporting units and perform our goodwill impairment test in two steps. Step one compares the fair value of each reporting unit (operating segment) to its carrying amount. If step one indicates that an impairment potentially exists, the second step is performed to measure the amount of impairment, if any. Goodwill impairment exists when the estimated fair value of goodwill is less than its carrying value.

For purposes of our step one analysis, our estimate of fair value for each reporting unit is based on a combination of (1) quoted market prices/relationships (the market approach), (2) discounted cash flows (the income approach) and (3) a stock price build-up approach (the build-up approach). The estimated fair value for each reporting unit is within the range of fair values yielded under each approach.

Under the market approach, the fair value of each reporting unit is determined based upon comparisons to public companies engaged in similar businesses. Under the income approach, the fair value of each reporting unit is based on the present value of estimated future cash flows. The income approach is dependent on a number of significant management assumptions including markets and market share, sales volumes and prices, costs to produce, capital spending, working capital changes and the discount rate. The discount rate is commensurate with the risk inherent in the projected cash flows and reflects the rate of return required by an investor in the current economic conditions. Under the build-up approach, which is a variation of the market approach, we estimate the fair value of each reporting unit based on the estimated contribution of each of the reporting units to Hindalco’s total business enterprise value.

During the third fiscal quarter of 2009, we concluded that interim impairment testing was required due to the recent deterioration in the global economic environment and the resulting significant decrease in both the market capitalization of our parent company and the valuation of our publicly traded 7.25% senior notes. In the third quarter of fiscal 2009, the result of our step one test indicated a potential impairment.

For our reporting units in North America, Europe and South America, we proceeded to step two for the goodwill impairment calculation in which we determined the implied fair value of the goodwill and compared it to the carrying value of the goodwill. We allocated the fair value of the reporting unit to all of its assets and liabilities as if the reporting unit has been acquired and the fair value was the price paid to acquire each reporting unit. The excess of the fair value of the reporting unit over the amounts assigned to the assets and liabilities is the implied fair value of the reporting unit’s goodwill. Step two was not performed for Asia as no goodwill has been allocated to this reporting unit. As a result of our step two evaluation, we recorded a $1.34 billion impairment charge in third quarter of fiscal 2009.

For impairment tests conducted in the third and fourth quarters of fiscal 2009, we used a discount rate of 12%, an increase of approximately 3% from the rate used in our prior year impairment test. An increase or decrease of 0.5% in the discount rate impacted the estimated fair value by $25 million to 75 million, depending on the relative size of the reporting unit.

We performed our annual testing for goodwill impairment as of the last day of February 2009 and no additional goodwill impairment was identified.

Equity Investments

We invest in a number of public and privately-held companies, primarily through joint ventures and consortiums. These investments are accounted for using the equity method and include our investment in Aluminium Norf GmbH. As a result of the Arrangement, investments in and advances to affiliates as of May 16, 2007 were adjusted to reflect fair value.

We review equity investments for impairment whenever certain indicators are present suggesting that the carrying value of an investment is not recoverable. This analysis requires a significant amount of judgment to identify events or circumstances indicating that an equity investment may be impaired. Once an impairment indicator is identified, we must determine if an impairment exists, and if so, whether the impairment is other than temporary, in which case the equity investment is written down to its estimated fair value. In connection with the impairment testing conducted in the third quarter of fiscal 2009 related to goodwill, we also evaluated our investment in Norf for impairment using the income approach. This resulted in an impairment charge of $160 million, which is reported in equity in net (income) loss of non-consolidated affiliates on the consolidated statement of operations.

Impairment of Intangible Assets

Our other intangible assets of $781 million as of June 30, 2009 consist of tradenames, technology, customer relationships and favorable energy and supply contracts and are amortized over 3 years to 20 years. As of June 30, 2009, we did not have any intangible assets with indefinite useful lives. We consider the potential impairment of these other intangibles assets in accordance with FASB Statement No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets.* For tradenames and technology, we utilize a relief-from-royalty method. All other intangible assets are assessed using the income approach. As a result of these assessments, no impairment was indicated.

Impairment of Long Lived Assets

Long-lived assets, such as property and equipment, are reviewed for impairment when events or changes in circumstances indicate that the carrying value of the assets contained in our financial statements may not be recoverable. When evaluating long-lived assets for potential impairment, we first compare the carrying value of the asset to the asset's estimated, future net cash flows (undiscounted and without interest charges). If the estimated future cash flows are less than the carrying value of the asset, we calculate and recognize an impairment loss. If we recognize an impairment loss, the adjusted carrying amount of the asset will be its new cost basis. For a depreciable long-lived asset, the new cost basis will be depreciated over the remaining useful life of that asset. Restoration of a previously recognized impairment loss is prohibited.

Our impairment loss calculations require management to apply judgments in estimating future cash flows and asset fair values, including forecasting useful lives of the assets and selecting the discount rate that represents the risk inherent in future cash flows. We recorded impairment charges on long-lived assets of $1 million, $18 million (including $17 million classified as Restructuring charges, net), $1 million and $8 million during the three months ended June 30, 2008, the years ended March 31, 2009 and 2008, and the three months ended March 31, 2007, respectively. We had no impairment charges on long-lived assets during the three months ended June 30, 2009 and the year ended December 31, 2006.

If actual results are not consistent with our assumptions and judgments used in estimating future cash flows and asset fair values, we may be exposed to additional impairment losses that could be material to our results of operations.

Pension and Other Postretirement Plans

We account for our defined benefit pension plans and non-pension postretirement benefit plans in accordance with FASB Statements No. 158, *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans*, No. 87, *Employers' Accounting for Pensions*, and No. 106, *Employers' Accounting for Postretirement Benefits Other Than Pensions*. Liabilities and expense for pension plans and other postretirement benefits are determined using actuarial methodologies and incorporate significant assumptions, including the rate used to discount the future estimated liability, the long-term rate of return on plan assets, and several assumptions related to the employee workforce (salary increases, medical costs, retirement age, and mortality).

The actuarial models use an attribution approach that generally spreads the financial impact of changes to the plan and actuarial assumptions over the average remaining service lives of the employees in the plan. Changes in liability due to changes in actuarial assumptions such as discount rate, rate of compensation increases and mortality, as well as annual deviations between what was assumed and what was experienced by the plan are treated as gains or losses. Additionally, gains and losses are amortized over the group's average future service. The average future service for pension plans and other postretirement benefit plans is 12.2 and 12.7 years respectively. The principle underlying the required attribution approach is that employees render service over their average remaining service lives on a relatively smooth basis and, therefore, the accounting for benefits earned under the pension or non-pension postretirement benefits plans should follow the same relatively smooth pattern.

Our pension obligations relate to funded defined benefit pension plans we have established in the United States, Canada, Switzerland and the United Kingdom, unfunded pension benefits primarily in Germany, and unfunded lump sum indemnities payable upon retirement to employees of businesses in France, South Korea, Malaysia and Italy. Pension benefits are generally based on the employee's service and either on a flat dollar rate or on the highest average eligible compensation before retirement. Our other postretirement benefit obligations include unfunded healthcare and life insurance benefits provided to retired employees in Canada, the United States and Brazil.

All net actuarial gains and losses are generally amortized over the expected average remaining service life of the employees. The costs and obligations of pension and other postretirement benefits are calculated based on assumptions including the long-term rate of return on pension assets, discount rates for pension and other postretirement benefit obligations, expected service period, salary increases, retirement ages of employees and healthcare cost trend rates. These assumptions bear the risk of change as they require significant judgment and they have inherent uncertainties that management may not be able to control.

The most significant assumption used to calculate pension and other postretirement obligations is the discount rates used to determine the present value of benefits. It is based on spot rate yield curves and individual bond matching models for pension and other postretirement plans in Canada and the United States, and on published long-term high quality corporate bond indices in other countries, at the end of each fiscal year. Adjustments were made to the index rates based on the duration of the plans' obligations for each country. The weighted average discount rate used to determine the pension benefit obligation was 6.0% as of March 31, 2009, compared to 5.8% and 5.4% for March 31, 2008 and December 31, 2006, respectively. The weighted average discount rate used to determine the other postretirement benefit obligation was 6.2% as of March 31, 2009, compared to 6.1% and 5.7% for March 31, 2008 and December 31, 2006, respectively. The weighted average discount rate used to determine the net periodic benefit cost is the rate used to determine the benefit obligation in the previous year.

As of March 31, 2009, an increase in the discount rate of 0.5%, assuming inflation remains unchanged, would result in a decrease of $82 million in the pension and other postretirement obligations and in a decrease of $10 million in the net periodic benefit cost. A decrease in the discount rate of 0.5% as of March 31, 2009, assuming inflation remains unchanged, would result in an increase of $82 million in the pension and other

postretirement obligations and in an increase of $10 million in the net periodic benefit cost. The calculation of the estimate of the expected return on assets and additional discussion regarding pension and other postretirement plans is described in "Note 14 — Postretirement Benefit Plans" to our Audited Financial Statements and "Note 8 — Postretirement Benefit Plans" to our Unaudited Financial Statements included elsewhere in this prospectus. The weighted average expected return on assets was 6.9% for 2009, 7.3% for 2008 and 7.3% for 2006. The expected return on assets is a long-term assumption whose accuracy can only be measured over a long period based on past experience. A variation in the expected return on assets by 0.5% as of March 31, 2009 would result in a variation of approximately $3 million in the net periodic benefit cost.

Income Taxes

We account for income taxes using the asset and liability method. Under the asset and liability method, deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. In addition, deferred tax assets are also recorded with respect to net operating losses and other tax attribute carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. Valuation allowances are established when realization of the benefit of deferred tax assets is not deemed to be more likely than not. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The ultimate recovery of certain of our deferred tax assets is dependent on the amount and timing of taxable income that we will ultimately generate in the future and other factors such as the interpretation of tax laws. This means that significant estimates and judgments are required to determine the extent that valuation allowances should be provided against deferred tax assets. We have provided valuation allowances as of June 30, 2009 aggregating $142 million against such assets based on our current assessment of future operating results and these other factors.

By their nature, tax laws are often subject to interpretation. Further complicating matters is that in those cases where a tax position is open to interpretation, differences of opinion can result in differing conclusions as to the amount of tax benefits to be recognized under FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes* ("FIN 48"). FIN 48 utilizes a two-step approach for evaluating tax positions. Recognition (Step 1) occurs when an enterprise concludes that a tax position, based solely on its technical merits, is more likely than not to be sustained upon examination. Measurement (Step 2) is only addressed if Step 1 has been satisfied. Under Step 2, the tax benefit is measured as the largest amount of benefit, determined on a cumulative probability basis that is more likely than not to be realized upon ultimate settlement. Consequently, the level of evidence and documentation necessary to support a position prior to being given recognition and measurement within the financial statements is a matter of judgment that depends on all available evidence.

As of June 30, 2009 the total amount of unrecognized benefits that, if recognized, would affect the effective income tax rate in future periods based on anticipated settlement dates was $47 million. Although management believes that the estimates and judgments discussed herein are reasonable, actual results could differ, which could result in gains or losses that could be material.

Assessment of Loss Contingencies

We have legal and other contingencies, including environmental liabilities, which could result in significant losses upon the ultimate resolution of such contingencies. Environmental liabilities that are not legal asset retirement obligations are accrued on an undiscounted basis when it is probable that a liability exists for past events.

We have provided for losses in situations where we have concluded that it is probable that a loss has been or will be incurred and the amount of the loss is reasonably estimable. A significant amount of judgment is involved in determining whether a loss is probable and reasonably estimable due to the uncertainty involved in determining the likelihood of future events and estimating the financial statement impact of such events. If

further developments or resolution of a contingent matter are not consistent with our assumptions and judgments, we may need to recognize a significant charge in a future period related to an existing contingency.

Recently Issued Accounting Standards

Recently Adopted Accounting Standards

We adopted FASB Statement No. 160, *Noncontrolling Interests in Consolidated Financial Statements* ("FASB 160"). FASB 160 establishes accounting and reporting standards that require: (i) the ownership interest in subsidiaries held by parties other than the parent to be clearly identified and presented in the condensed consolidated balance sheet within shareholder's equity, but separate from the parent's equity; (ii) the amount of condensed consolidated net income attributable to the parent and the noncontrolling interest to be clearly identified and presented on the face of the condensed consolidated statement of operations and (iii) changes in a parent's ownership interest while the parent retains its controlling financial interest in its subsidiary to be accounted for consistently. We adopted FASB 160 effective April 1, 2009, and applied this standard prospectively, except for the presentation and disclosure requirements, which have been applied retrospectively.

We adopted FASB Staff Position No. FAS 142-3, *Determination of Useful Life of Intangible Assets* ("FSP FAS 142-3"). FSP FAS 142-3 amends the factors that should be considered in developing the renewal or extension assumptions used to determine the useful life of a recognized intangible asset under FASB 142. FSP FAS 142-3 also requires expanded disclosure related to the determination of intangible asset useful lives. This standard will have no impact on our consolidated financial position, results of operations and cash flows.

We adopted FASB Staff Position No. 107-1 ("FSP FAS 107-1") and APB Opinion 28-1 ("APB 28-1"), *Interim Disclosures about Fair Value of Financial Instruments*. FSP FAS 107-1 and APB 28-1 amends FASB 107 and APB Opinion No. 28, *Interim Financial Reporting*, to require disclosures about the fair value of financial instruments for interim reporting periods. This standard had no impact on our consolidated financial position, results of operations and cash flows.

We adopted FASB Staff Position No. 157-4, *Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly* ("FSP FAS 157-4"). FSP FAS 157-4 provides additional guidance in accordance with FASB No. 157, *Fair Value Measurements*, when the volume and level of activity for the asset or liability has significantly decreased. This standard had no impact on our consolidated financial position, results of operations and cash flows.

We adopted FASB Staff Position No. 115-2 ("FSP FAS 115-2") and FASB Staff Position No. 124-2 ("FSP FAS 124-2"), *Recognition of Other-than-Temporary-Impairments.* FSP FAS No. 115-2 and FSP FAS No. 124-2 amends the other-than-temporary impairment guidance in GAAP for debt and equity securities. This standard had no impact on our consolidated financial position, results of operations and cash flows.

We adopted FASB Statement No. 141 (Revised), *Business Combinations* ("FASB 141(R)") which establishes principles and requirements for how the acquirer in a business combination (i) recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree, (ii) recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase, and (iii) determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. FASB 141(R) also requires acquirers to estimate the acquisition-date fair value of any contingent consideration and to recognize any subsequent changes in the fair value of contingent consideration in earnings. We will apply this new standard prospectively to business combinations occurring after March 31, 2009, with the exception of the accounting for valuation allowances on deferred taxes and acquired tax contingencies. FASB 141(R) amends certain provisions of FASB 109 such that adjustments made to valuation allowances on deferred taxes and acquired tax contingencies associated with acquisitions that closed prior to the effective date of FASB 141(R) would also apply the provisions of FASB 141(R). This standard had no impact on our consolidated financial position, results of operations and cash flows.

We adopted FASB Staff Position No. 141(R)-1, *Accounting for Assets Acquired and Liabilities Assumed in a Business Combination That Arise from Contingencies* ("FSP FAS No. 141(R)-1"). This pronouncement amends FASB 141(R) to clarify the initial and subsequent recognition, subsequent accounting, and disclosure of assets and liabilities arising from contingencies in a business combination. FSP SFAS No. 141(R)-1 requires that assets acquired and liabilities assumed in a business combination that arise from contingencies be recognized at fair value, as determined in accordance with FASB 157, if the acquisition-date fair value can be reasonably estimated. If the acquisition-date fair value of an asset or liability cannot be reasonably estimated, the asset or liability would be measured at the amount that would be recognized in accordance with FASB Statement No. 5, *Accounting for Contingencies,* and FASB Interpretation No. 14, *Reasonable Estimation of the Amount of a Loss*. As the provisions of FSP FAS No. 141(R)-1 are applied prospectively to business combinations with an acquisition date on or after the guidance became effective, the impact on condensed consolidated financial position, results of operations and cash flows cannot be determined until the transactions occur.

We adopted the Emerging Issues Task Force ("EITF") Issue No. 08-06, *Equity Method Investment Accounting Considerations* ("EITF 08-06"). EITF 08-6 address questions that have arisen about the application of the equity method of accounting for investments acquired after the effective date of both FASB 141(R) and FASB Statement No. 160, *Non-controlling Interests in Consolidated Financial Statements*. EITF 08-06 clarifies how to account for certain transactions involving equity method investments. EITF 08-6 is effective on a prospective basis. This standard had no impact on our consolidated financial position, results of operations and cash flows.

Recently Issued Accounting Standards

The following new accounting standards have been issued, but have not yet been adopted by us as of June 30, 2009, as adoption is not required until future reporting periods.

In June 2009, the FASB issued statement No. 167, *Amendments to FASB Interpretation No. 46(R)* ("FASB 167"). FASB 167 is intended to (1) address the effects on certain provisions of FIN 46(R), as a result of the elimination of the qualifying special-purpose entity concept in FASB Statement No. 166, *Accounting for Transfers of Financial Assets*, and (2) clarify questions about the application of certain key provisions of FIN 46(R), including those in which the accounting and disclosures under FIN 46(R) do not always provided timely and useful information about an enterprise's involvement in a variable interest entity. FASB 167 will be effective for fiscal years ending after November 15, 2009. We do not anticipate this standard will have any impact on our consolidated financial position, results of operations and cash flows.

In December 2008, the FASB issued FSP No. 132(R)-1, *Employers' Disclosures about Pensions and Other Postretirement Benefits* ("FSP No. 132(R)-1"). FSP No. 132(R)-1 requires that an employer disclose the following information about the fair value of plan assets: (1) how investment allocation decisions are made, including the factors that are pertinent to understanding of investment policies and strategies; (2) the major categories of plan assets; (3) the inputs and valuation techniques used to measure the fair value of plan assets; (4) the effect of fair value measurements using significant unobservable inputs on changes in plan assets for the period; and (5) significant concentrations of risk within plan assets. FSP No. 132(R)-1 will be effective for fiscal years ending after December 15, 2009, with early application permitted. At initial adoption, application of FSP No. 132(R)-1 would not be required for earlier periods that are presented for comparative purposes. This standard will have no impact on our consolidated financial position, results of operations and cash flows.

We have determined that all other recently issued accounting standards will not have a material impact on our consolidated financial position, results of operations or cash flows, or do not apply to our operations.

Quantitative and Qualitative Disclosures About Market Risk

We are exposed to certain market risks as part of our ongoing business operations, including risks from changes in commodity prices (primarily aluminum, electricity and natural gas), foreign currency exchange rates and interest rates, that could impact our results of operations and financial condition. We manage our exposure to these and other market risks through regular operating and financing activities and derivative

financial instruments. We use derivative financial instruments as risk management tools only, and not for speculative purposes. Except where noted, the derivative contracts are marked-to-market and the related gains and losses are included in earnings in the current accounting period.

By their nature, all derivative financial instruments involve risk, including the credit risk of non-performance by counterparties. All derivative contracts are executed with counterparties that, in our judgment, are creditworthy. Our maximum potential loss may exceed the amount recognized in the accompanying June 30, 2009 condensed consolidated balance sheet.

The decision of whether and when to execute derivative instruments, along with the duration of the instrument, can vary from period to period depending on market conditions and the relative costs of the instruments. The duration is always linked to the timing of the underlying exposure, with the connection between the two being regularly monitored.

Commodity Price Risks

We have commodity price risk with respect to purchases of certain raw materials including aluminum, electricity and natural gas.

Aluminum

Most of our business is conducted under a conversion model that allows us to pass through increases or decreases in the price of aluminum to our customers. Nearly all of our products have a price structure with two components: (i) a pass through aluminum price based on the LME plus local market premiums and (ii) a "conversion premium" based on the conversion cost to produce the rolled product and the competitive market conditions for that product.

When we enter into agreements with our customers that fix the selling price of our products for future delivery, we are exposed to rising aluminum prices. We may not be able to purchase the aluminum necessary to fulfill the order at the same price which we have committed to our customer. We hedge this risk by purchasing LME futures contracts. We expect the gain or loss on the settlement of the derivative to offset increases or decreases in the purchase price of aluminum. These hedges, which comprise the majority of our aluminum derivatives, generate losses in periods of decreasing aluminum prices.

Metal price lag exposes us to potential losses in periods of falling aluminum prices. We sell short-term LME futures contracts to reduce our exposure to this risk. We expect the gain or loss on the settlement of the derivative to offset the effect of changes in aluminum prices on future product sales. These hedges generally generate losses in periods of increasing aluminum prices.

In addition, we have a sales contract which contains a ceiling over which metal prices cannot be contractually passed through to a certain customer. As a result, we were unable to pass through the complete increase in metal prices for sales under this contract and this negatively impacted our margins when the metal price was above the ceiling price. As result of falling LME prices and based upon a June 30, 2009 aluminum price of $1,616 per tonne, there is no unfavorable revenue or cash flow impact estimated through December 31, 2009 when this contract expires.

We employ three strategies to mitigate our risk of rising metal prices that we cannot pass through to certain customers due to metal price ceilings. First, we maximize the amount of our internally supplied metal inputs from our smelting, refining and mining operations in Brazil. Second, we rely on the output from our recycling operations which utilize UBCs. Both of these sources of aluminum supply have historically provided a benefit as these sources of metal are typically less expensive than purchasing aluminum from third party suppliers. We refer to these two sources as our internal hedges.

Beyond our internal hedges described above, our third strategy to mitigate the risk of loss or reduced profitability associated with the metal price ceilings is to purchase derivative instruments on projected aluminum volume requirements above our assumed internal hedge position. We purchased forward derivative instruments to hedge our exposure to further metal price increases.

Sensitivities

We estimate that a 10% decline in LME aluminum prices would result in a $40 million pre-tax loss related to the change in fair value of our aluminum contracts as of June 30, 2009.

Energy

We use several sources of energy in the manufacture and delivery of our aluminum rolled products. In the quarter ended June 30, 2009, natural gas and electricity represented approximately 89% of our energy consumption by cost. We also use fuel oil and transport fuel. The majority of energy usage occurs at our casting centers, at our smelters in South America and during the hot rolling of aluminum. Our cold rolling facilities require relatively less energy.

We purchase our natural gas on the open market, which subjects us to market pricing fluctuations. We seek to stabilize our future exposure to natural gas prices through the use of forward purchase contracts. Natural gas prices in Europe, Asia and South America have historically been more stable than in the United States. As of June 30, 2009, we have a nominal amount of forward purchases outstanding related to natural gas.

A portion of our electricity requirements are purchased pursuant to long-term contracts in the local regions in which we operate. A number of our facilities are located in regions with regulated prices, which affords relatively stable costs. In South America, we own and operate hydroelectric facilities that meet approximately 25% of our total electricity requirements in that segment. Additionally, we have entered into an electricity swap in North America to fix a portion of the cost of our electricity requirements.

We purchase a nominal amount of heating oil forward contracts to hedge against fluctuations in the price of our transport fuel.

Fluctuating energy costs worldwide, due to the changes in supply and international and geopolitical events, expose us to earnings volatility as such changes in such costs cannot immediately be recovered under existing contracts and sales agreements, and may only be mitigated in future periods under future pricing arrangements.

Sensitivities

The following table presents the estimated potential effect on the fair values of these derivative instruments as of June 30, 2009 given a 10% decline in spot prices for energy contracts.

($ in millions)	Change in Price	Change in Fair Value
Electricity	(10)%	$ (3)
Natural Gas	(10)%	(1)
Heating Oil	(10)%	(1)

Foreign Currency Exchange Risks

Exchange rate movements, particularly the euro, the Canadian dollar, the Brazilian real and the Korean won against the U.S. dollar, have an impact on our operating results. In Europe, where we have predominantly local currency selling prices and operating costs, we benefit as the euro strengthens, but are adversely affected as the euro weakens. In Korea, where we have local currency selling prices for local sales and U.S. dollar denominated selling prices for exports, we benefit slightly as the won weakens, but are adversely affected as the won strengthens, due to a slightly higher percentage of exports compared to local sales. In Canada and Brazil, where we have predominately U.S. dollar selling prices, metal costs and local currency operating costs, we benefit as the local currencies weaken, but are adversely affected as the local currencies strengthen. Foreign currency contracts may be used to hedge the economic exposures at our foreign operations.

It is our policy to minimize functional currency exposures within each of our key regional operating segments. As such, the majority of our foreign currency exposures are from either forecasted net sales or forecasted purchase commitments in non-functional currencies. Our most significant non-U.S. dollar functional currency operating segments are Europe and Asia, which have the euro and the Korean won as their functional currencies, respectively. South America is U.S. dollar functional with Brazilian real transactional exposure.

We face translation risks related to the changes in foreign currency exchange rates. Amounts invested in our foreign operations are translated into U.S. dollars at the exchange rates in effect at the balance sheet date. The resulting translation adjustments are recorded as a component of Accumulated other comprehensive income (loss) in the Shareholders' equity section of the accompanying condensed consolidated balance sheets. Net sales and expenses in our foreign operations' foreign currencies are translated into varying amounts of U.S. dollars depending upon whether the U.S. dollar weakens or strengthens against other currencies. Therefore, changes in exchange rates may either positively or negatively affect our net sales and expenses from foreign operations as expressed in U.S. dollars.

Any negative impact of currency movements on the currency contracts that we have entered into to hedge foreign currency commitments to purchase or sell goods and services would be offset by an equal and opposite favorable exchange impact on the commitments being hedged. For a discussion of accounting policies and other information relating to currency contracts, see "Note 1 — Business and Summary of Significant Accounting Policies" and "Note 11 — Financial Instruments and Commodity Contracts" to the accompanying unaudited financial statements.

Sensitivities

The following table presents the estimated potential effect on the fair values of these derivative instruments as of June 30, 2009 given a 10% change in rates.

($ in millions)	Change in Exchange Rate	Change in Fair Value
Currency measured against the U.S. dollar		
Euro	10%	$ (33)
Korean won	(10)%	(4)
Brazilian real	(10)%	(11)
British pound	10%	2
Canadian dollar	(10)%	(2)
Swiss franc	(10)%	(2)

Loans to and investments in European operations have been hedged with EUR 135 million of cross-currency swaps. We designated these as net investment hedges. While this has no impact on our cash flows, subsequent changes in the value of currency related derivative instruments that are not designated as hedges are recognized in Gain (loss) on change in fair value of derivative instruments, net in our condensed consolidated statement of operations.

We estimate that a 10% increase in the value of the euro against the US dollar would result in a $22 million potential pre-tax loss on these derivatives as of June 30, 2009.

Interest Rate Risks

As of June 30, 2009, approximately 79% of our debt obligations were at fixed rates. Due to the nature of fixed-rate debt, there would be no significant impact on our interest expense or cash flows from either a 10% increase or decrease in market rates of interest.

We are subject to interest rate risk related to our floating rate debt. For every 12.5 basis point increase in the interest rates on our outstanding variable rate debt as of June 30, 2009, which includes $459 million of term loan debt and other variable rate debt of $362 million, our annual pre-tax income would be reduced by approximately $1 million.

From time to time, we have used interest rate swaps to manage our debt cost. In Korea, we entered into interest rate swaps to fix the interest rate on various floating rate debt. See "Note 6 — Debt" to the accompanying unaudited financial statements for further information.

Sensitivities

The following table presents the estimated potential effect on the fair values of these derivative instruments as of June 30, 2009 given a 10% change in the benchmark USD LIBOR interest rate.

($ in millions)	Change in Rate	Change in Fair Value
Interest Rate Contracts		
North America	(10)%	$ (2)
Asia	(10)%	—

BUSINESS

Overview

We are the world's leading aluminum rolled products producer based on shipment volume in fiscal 2009, with total shipments of approximately 2,943 kt in fiscal 2009. We are the only company of our size and scope focused solely on aluminum rolled products markets and capable of local supply of technologically sophisticated aluminum products in all of these geographic regions. We are also the global leader in the recycling of used aluminum beverage cans. We had net sales of approximately $10.2 billion for the year ended March 31, 2009 and approximately $2 billion for the three months ended June 30, 2009.

Our History

Organization and Description of Business

Novelis Inc., formed in Canada on September 21, 2004, and its subsidiaries, is the world's leading aluminum rolled products producer based on shipment volume. We produce aluminum sheet and light gauge products for end-use markets, including beverage and food cans, construction and industrial, foil products and transportation markets. As of June 30, 2009, we had operations in 11 countries on four continents: North America, Europe, Asia and South America, through 31 operating plants, one research facility and several market-focused innovation centers. In addition to aluminum rolling and recycling, our South American businesses include bauxite mining, alumina refining, primary aluminum smelting and power generation facilities that are integrated with our rolling plants in Brazil.

On May 18, 2004, Alcan announced its intention to transfer its rolled products businesses into a separate company and to pursue a spin-off of that company to its shareholders. The spin-off occurred on January 6, 2005, following approval by Alcan's board of directors and shareholders, and legal and regulatory approvals. Alcan shareholders received one Novelis common share for every five Alcan common shares held.

Acquisition by Hindalco

On May 15, 2007, the company was acquired by Hindalco through its indirect wholly-owned subsidiary pursuant to the Arrangement at a price of $44.93 per share. The aggregate purchase price for all of the company's common shares was $3.4 billion and Hindalco also assumed $2.8 billion of Novelis' debt for a total transaction value of $6.2 billion. Subsequent to completion of the Arrangement on May 15, 2007, all of our common shares were indirectly held by Hindalco.

Our Industry

The aluminum rolled products market represents the global supply of and demand for aluminum sheet, plate and foil produced either from sheet ingot or continuously cast roll-stock in rolling mills operated by independent aluminum rolled products producers and integrated aluminum companies alike.

Aluminum rolled products are semi-finished aluminum products that constitute the raw material for the manufacture of finished goods ranging from automotive body panels to household foil. There are two major types of manufacturing processes for aluminum rolled products differing mainly in the process used to achieve the initial stage of processing:

- *hot mills* — that require sheet ingot, a rectangular slab of aluminum, as starter material; and
- *continuous casting mills* — that can convert molten metal directly into semi-finished sheet.

Both processes require subsequent rolling, which we call cold rolling, and finishing steps such as annealing, coating, leveling or slitting to achieve the desired thicknesses and metal properties. Most customers receive shipments in the form of aluminum coil, a large roll of metal, which can be fed into their fabrication processes.

There are two sources of input material: (1) primary aluminum, such as molten metal, re-melt ingot and sheet ingot; and (2) recycled aluminum, such as recyclable material from fabrication processes, which we refer to as recycled process material, UBCs and other post-consumer aluminum.

Primary aluminum can generally be purchased at prices set on the LME, plus a premium that varies by geographic region of delivery, form (ingot or molten metal) and purity.

Recycled aluminum is also an important source of input material. Aluminum is infinitely recyclable and recycling it requires only approximately 5% of the energy needed to produce primary aluminum. As a result, in regions where aluminum is widely used, manufacturers and customers are active in setting up collection processes in which UBCs and other recyclable aluminum are collected for re-melting at purpose-built plants. Manufacturers may also enter into agreements with customers who return recycled process material and pay to have it re-melted and rolled into the same product again.

There has been a long-term industry trend towards lighter gauge (thinner) rolled products, which we refer to as "downgauging," where customers request products with similar properties using less metal in order to reduce costs and weight. For example, aluminum rolled products producers and can fabricators have continuously developed thinner walled cans with similar strength as previous generation containers, resulting in a lower cost per unit. As a result of this trend, aluminum tonnage across the spectrum of aluminum rolled products, and particularly for the beverage and food cans end-use market, has declined on a per unit basis, but actual rolling machine hours per unit have increased. Because the industry has historically tracked growth based on aluminum tonnage shipped, we believe the downgauging trend may contribute to an understatement of the actual growth of revenue attributable to rolling in some end-use markets.

End-use Markets

Aluminum rolled products companies produce and sell a wide range of aluminum rolled products, which can be grouped into four end-use markets based upon similarities in end-use markets: (1) beverage and food cans; (2) construction and industrial; (3) foil products and (4) transportation. Within each end-use market, aluminum rolled products are manufactured with a variety of alloy mixtures; a range of tempers (hardness), gauges (thickness) and widths; and various coatings and finishes. Large customers typically have customized needs resulting in the development of close relationships with their supplying mills and close technical development relationships.

Beverage and Food Cans. Beverage cans are the single largest aluminum rolled products application, accounting for approximately 23% of total worldwide shipments in the calendar year ended December 31, 2008, according to market data from CRU. Beverage and food cans is also our largest end-use market, making up 61% and 54% of total shipments for the three months ended June 30, 2009 and 2008, respectively. The recyclability of aluminum cans enables them to be used, collected, melted and returned to the original product form many times, unlike steel, paper or PET plastic, which deteriorate with every iteration of recycling. Aluminum beverage cans also offer advantages in fabricating efficiency and product shelf life. Fabricators are able to produce and fill beverage cans at very high speeds, and non-porous aluminum cans provide longer shelf life than PET plastic containers. Aluminum cans are light, stackable and use space efficiently, making them convenient and cost efficient to ship.

Downgauging and changes in can design help to reduce total costs on a per can basis and contribute to making aluminum more competitive with substitute materials.

Beverage can sheet is sold in coil form for the production of can bodies, ends and tabs. The material can be ordered as rolled, degreased, pre-lubricated, pre-treated and/or lacquered. Typically, can makers define their own specifications for material to be delivered in terms of alloy, gauge, width and surface finish.

Other applications in this end-use market include food cans and screw caps for the beverage industry.

Construction and Industrial. Construction is the largest application within this end-use market. Aluminum rolled products developed for the construction industry are often decorative and non-flammable, offer insulating properties, are durable and corrosion resistant, and have a high strength-to-weight ratio. Aluminum

siding, gutters, and downspouts comprise a significant amount of construction volume. Other applications include doors, windows, awnings, canopies, facades, roofing and ceilings.

Aluminum's ability to conduct electricity and heat and to offer corrosion resistance makes it useful in a wide variety of electronic and industrial applications. Industrial applications include electronics and communications equipment, process and electrical machinery and lighting fixtures. Uses of aluminum rolled products in consumer durables include microwaves, coffee makers, flat screen televisions, air conditioners, pleasure boats and cooking utensils.

Another industrial application is lithographic sheet. Print shops, printing houses and publishing groups use lithographic sheet to print books, magazines, newspapers and promotional literature. In order to meet the strict quality requirements of the end-users, lithographic sheet must meet demanding metallurgical, surface and flatness specifications.

Foil Products. Aluminum, because of its relatively light weight, recyclability and formability, has a wide variety of uses in packaging. Converter foil is very thin aluminum foil, plain or printed, that is typically laminated to plastic or paper to form an internal seal for a variety of packaging applications, including juice boxes, pharmaceuticals, food pouches, cigarette packaging and lid stock. Customers order coils of converter foil in a range of thicknesses from 6 microns to 60 microns.

Household foil includes home and institutional aluminum foil wrap sold as a branded or generic product. Known in the industry as packaging foil, it is manufactured in thicknesses ranging from 11 microns to 23 microns. Container foil is used to produce semi-rigid containers such as pie plates and take-out food trays and is usually ordered in a range of thicknesses ranging from 60 microns to 200 microns.

Transportation. Heat exchangers, such as radiators and air conditioners, are an important application for aluminum rolled products in the truck and automobile categories of the transportation end-use market. Original equipment manufacturers also use aluminum sheet with specially treated surfaces and other specific properties for interior and exterior applications. Newly developed alloys are being used in transportation tanks and rigid containers that allow for safer and more economical transportation of hazardous and corrosive materials.

There has been recent growth in certain geographic markets in the use of aluminum rolled products in automotive body panel applications, including hoods, deck lids, fenders and lift gates. These uses typically result from co-operative efforts between aluminum rolled products manufacturers and their customers that yield tailor-made solutions for specific requirements in alloy selection, fabrication procedure, surface quality and joining. We believe the recent growth in automotive body panel applications is due in part to the lighter weight, better fuel economy and improved emissions performance associated with these applications.

Aluminum rolled products are also used in aerospace applications, a segment of the transportation market in which we are not allowed to compete until January 6, 2010, pursuant to a non-competition agreement we entered into with Alcan in connection with the spin-off. However, aerospace-related consumption of aluminum rolled products has historically represented a relatively small portion of total aluminum rolled products market shipments.

Aluminum is also used in the construction of ships' hulls and superstructures and passenger rail cars because of its strength, light weight, formability and corrosion resistance.

Market Structure

The aluminum rolled products industry is characterized by economies of scale, significant capital investments required to achieve and maintain technological capabilities and demanding customer qualification standards. The service and efficiency demands of large customers have encouraged consolidation among suppliers of aluminum rolled products.

While our customers tend to be increasingly global, many aluminum rolled products tend to be produced and sold on a regional basis. The regional nature of the markets is influenced in part by the fact that not all mills are equipped to produce all types of aluminum rolled products. For instance, only a few mills in North America, Europe and Asia, and only one mill in South America produce beverage can body and end stock. In

addition, individual aluminum rolling mills generally supply a limited range of products for end-use markets, and seek to maximize profits by producing high volumes of the highest margin mix per mill hour given available capacity and equipment capabilities.

Certain multi-purpose, common alloy and plate rolled products are imported into Europe and North America from producers in emerging markets, such as Brazil, South Africa, Russia and China. However, at this time we believe that most of these producers are generally unable to produce flat rolled products that meet the quality requirements, lead times and specifications of customers with more demanding applications. In addition, high freight costs, import duties, inability to take back recycled aluminum, lack of technical service capabilities and long lead-times mean that many developing market exporters are viewed as second-tier suppliers. Therefore, many of our customers in the Americas, Europe and Asia do not look to suppliers in these emerging markets for a significant portion of their requirements.

Competition

The aluminum rolled products market is highly competitive. We face competition from a number of companies in all of the geographic regions and end-use markets in which we operate. Our primary competitors are as follows:

North America

Alcoa, Inc. (Alcoa)
Aleris International, Inc. (Aleris)
Arco Aluminium, Inc. (a subsidiary of BP plc)
Norandal Aluminum
Wise Metal Group LLC
Rio Tinto Alcan Inc.

Asia

Furukawa-Sky Aluminum Corp.
Sumitomo Light Metal Company, Ltd.
Southwest Aluminum Co. Ltd.
Kobe Steel Ltd.
Alcoa

Europe

Hydro A.S.A.
Rio Tinto Alcan Inc.
Alcoa
Aleris

South America

Companhia Brasileira de Alumínio
Alcoa

The factors influencing competition vary by region and end-use market, but generally we compete on the basis of our value proposition, including price, product quality, the ability to meet customers' specifications, range of products offered, lead times, technical support and customer service. In some end-use markets, competition is also affected by fabricators' requirements that suppliers complete a qualification process to supply their plants. This process can be rigorous and may take many months to complete. As a result, obtaining business from these customers can be a lengthy and expensive process. However, the ability to obtain and maintain these qualifications can represent a competitive advantage.

In addition to competition from others within the aluminum rolled products industry, we, as well as the other aluminum rolled products manufacturers, face competition from non-aluminum material producers, as fabricators and end-users have, in the past, demonstrated a willingness to substitute other materials for aluminum. In the beverage and food cans end-use market, aluminum rolled products' primary competitors are glass, PET plastic, and in some regions, steel. In the transportation end-use market, aluminum rolled products compete mainly with steel and composites. Aluminum competes with wood, plastic, cement and steel in building products applications. Factors affecting competition with substitute materials include price, ease of manufacture, consumer preference and performance characteristics.

Key Factors Affecting Supply and Demand

The following factors have historically affected the supply of aluminum rolled products:

Production Capacity. As in most manufacturing industries with high fixed costs, production capacity has the largest impact on supply in the aluminum rolled products industry. In the aluminum rolled products industry, the addition of production capacity requires large capital investments and significant plant construction or expansion, and typically requires long lead-time equipment orders.

Alternative Technology. Advances in technological capabilities allow aluminum rolled products producers to better align product portfolio and supply with industry demand. As an example, continuous casting offers the ability to increase capacity in smaller increments than is possible with hot mill additions. This enables production capacity to better adjust to small year-over-year increases in demand. However, the continuous casting process results in the production of a more limited range of products.

Trade. Some trade flows do occur between regions despite shipping costs, import duties and the need for localized customer support. Higher value-added, specialty products such as lithographic sheet and some foils are more likely to be traded internationally, especially if demand in certain markets exceeds local supply. With respect to less technically demanding applications, emerging markets with low cost inputs may export commodity aluminum rolled products to larger, more mature markets. Accordingly, regional changes in supply, such as plant expansions, may have some effect on the worldwide supply of commodity aluminum rolled products.

The following factors have historically affected the demand for aluminum rolled products:

Economic Growth. We believe that economic growth is currently the single largest driver of aluminum rolled products demand. In mature markets, growth in demand has typically correlated closely with growth in industrial production.

In emerging markets such as China, growth in demand typically exceeds industrial production growth largely because of expanding infrastructures, capital investments and rising incomes that often accompany economic growth in these markets.

Substitution Trends. Manufacturers' willingness to substitute other materials for aluminum in their products and competition from substitution materials suppliers also affect demand. For example, in North America, competition from PET plastic containers and glass bottles, and changes in marketing channels and consumer preferences in beverage containers, have, in recent years, reduced the growth rate of aluminum can sheet in North America from the high rates experienced in the 1970s and 1980s. Historically, despite changes in consumer preferences, North American aluminum beverage can shipments have remained at approximately 100 billion cans per year since 1994 according to the Can Manufacturers Institute. For the calendar year ended December 31, 2008, North American aluminum beverage can shipments have declined by approximately 2.8% to 97.4 billion cans mainly due to a decline in carbonated soft drinks.

Downgauging. Increasing technological and asset sophistication has enabled aluminum rolling companies to offer consistent or even improved product strength using less material, providing customers with a more cost-effective product. This continuing trend reduces raw material requirements, but also effectively increases rolled products' plant utilization rates and reduces available capacity, because to produce the same number of units requires more rolling hours to achieve thinner gauges. As utilization rates increase, revenues rise as pricing tends to be based on machine hours used rather than on the volume of material rolled. On balance, we believe that downgauging has maintained or enhanced overall market economics for both users and producers of aluminum rolled products.

Seasonality. While demand for certain aluminum rolled products is affected by seasonal factors, such as increases in consumption of beer and soft drinks packaged in aluminum cans and the use of aluminum sheet used in the construction and industrial end-use market during summer months, our presence in both the northern and southern hemispheres tends to dampen the impact of seasonality on our business.

Our Strengths

We believe that the following key strengths enable us to compete effectively in the aluminum rolled products market:

Leading Market Positions

We are the world's leader in aluminum rolling, producing an estimated 18% of the world's flat-rolled aluminum products in 2009. Moreover, we are the No. 1 rolled products producer in Europe and South America and the No. 2 producer in both North America and Asia. In terms of end markets, we believe that we are the largest global producer of aluminum rolled products for the beverage can market with a 40% market share, and we are the world's leader in the recycling of UBCs, recycling around 39 billion UBCs per year. We also believe that we are the world's leader in aluminum automotive sheet.

International Presence and Scale

With 31 manufacturing facilities located in 11 countries on four continents as of June 30, 2009, we have a broad geographical presence that we believe allows us to better serve our increasingly global customer base as well as diversify our sources of cash flow and offset risk across the different regions. Our size allows us to service a wide variety of localized and global customer needs, leverage our selling, administrative, research and development and other general expenses to improve margins, establish new uses for aluminum rolled products and access the end-use markets for these products.

High-end Product Portfolio Mix

Over 50% of our sales are to customers in the beverage can market. We believe the beverage can market is a high value market and more stable than others as it is less vulnerable to economic cycles. In the beverage can market, we go beyond simply supplying metal: Novelis is a technical solution provider. For example, our Global Can Technology Team offers technological expertise and facilities, as well as technical backup and support for our customers' own innovation activities. We provide technological services and work together with our lithographic, electronic, and automotive customers, among others, to develop solutions to meet their requirements through our customer solution centers in North America and Asia as well as other market-focused innovation centers around the world.

Innovation Leader with Proprietary Technologies

We endeavor to be at the forefront of developing next generation technologies in the aluminum rolled products industry and believe that we are the world's leader in continuous casting technology, as owner of technology relating to the two main continuous casting processes. We have state-of-the-art research facilities around the world with more than 200 employees dedicated to research and development and customer technical support. Our technological leadership has led to the design of products to address various end-use requirements in all regions of the world. An important innovation is our Novelis Fusion™ technology. Launched in 2006, Novelis Fusion™ is a breakthrough process that simultaneously casts multiple alloy layers into a single aluminum rolling ingot. Novelis is the first company to achieve commercial production of such multi-alloy ingots. The resulting product allows alloy combinations never before possible. For example, a customer can now have aluminum sheet with both excellent formability and high strength, which provides better shaping performance and the potential to downgauge.

Long Term Relationships with Market Leaders

We maintain strong, long-standing supply relationships with many of our customers, which include leading global players in our key end markets. Our major customers include: Agfa-Gevaert N.V., Alcan's packaging business group, Anheuser-Busch Companies, Inc., Ball Corporation, various bottlers of the Coca-Cola system, Crown Cork & Seal Company, Inc., BMW, Audi AG, Daimler AG, Kodak Polychrome Graphics GmbH, Ford Motor Company, Lotte Aluminum, Pactiv Corporation, Rexam Plc and Xiamen Xiashun Aluminum Foil Co., Ltd. In fiscal 2009, approximately 45% of our net sales were to our ten largest customers,

most of whom we have been supplying for more than 20 years. We endeavor to gain strong customer loyalty by anticipating and meeting the specific technical standards demanded by our customers with a high level of quality, technical support and customer service.

Our Business Strategy

Our primary objective is to deliver shareholder and customer value by being the most innovative and profitable aluminum rolled products company in the world. We intend to achieve this objective through the following areas of focus:

Focus on core operations and optimize our costs

We strive to be one of the lowest cost producers of aluminum rolled products by pursuing a standardized focus on our core operations and through the implementation of cost-reduction and restructuring initiatives. To achieve this objective, we have standardized our manufacturing processes and the associated upstream and downstream production elements and established risk management processes in order to apply best practices in our core operations across all of our regions. In addition, we have implemented numerous restructuring initiatives over the last year, including the shutdown of facilities, staff rationalization and other activities which we believe will lead to annualized cost savings of approximately $140 million beginning in fiscal 2011.

Integrate support functions globally in order to further drive improvements in our operations

Given our global operating footprint and customer base, we plan to globally align our support functions, such as finance, human resources, legal, information technology and supply chain management. We believe that managing these support functions centrally can accelerate executive decision-making processes, which will allow us to adapt our manufacturing processes and products more quickly and efficiently to respond to changing market conditions. We think that achieving a seamless alignment of goals, methods and metrics across the organization will improve communication and the implementation of strategic initiatives. Over time, we feel that these improvements will result in enhanced operating margins and performance.

Expand market leadership position through enhanced global and regional capabilities

We benefit from a global manufacturing footprint, including 31 manufacturing facilities in 11 countries on four continents as of June 30, 2009, which enables us to service customers worldwide and provide a strong "asset-based" competitive advantage. We are the only company capable of producing technologically sophisticated, high-end products in all four major market regions of the world. This competitive advantage is evident in our position as the number one global producer of beverage can sheet products. We are able to service large can sheet customers on a worldwide basis, yet, through our regional operations we also have the capability to adapt and cater to the regional preferences and needs of our customers. For example, we recently upgraded our Yeongju plant in Korea with technology and processes developed at our other plants around the world, which has allowed us to capture market share in the can end market in Asia. Additionally, we have been able to qualify Novelis plants in one region to provide alternative supply options and support to customers in a different region.

Focus on optimizing premium products to drive enhanced profitability

We plan to continue improving our product mix and margins by leveraging our world-class assets and technical capabilities. As a result of the development of Novelis Fusion™, we have demonstrated the required manufacturing know-how and research and development capabilities to design, develop and commercialize breakthrough technologies. Products like Novelis Fusion™ allow us to defend and enhance our strategic positioning in our core end-user segments. Additionally, our management approach helps us systematically identify opportunities to improve the profitability of our operations through product portfolio analysis. This ensures that we focus on growing in attractive market segments, while also taking actions to exit unattractive ones. For example, in the past three years, we have grown our can stock shipments in all regions by an average 20%, making it an even larger portion of our product mix, while reducing or exiting other less

attractive market segments. Through our continued focus on operating execution, we believe we can cost effectively deploy proprietary technologies that will contribute to growth and higher profitability.

Pursue organic growth in select emerging markets

Our international presence positions us well to capture additional growth opportunities in targeted aluminum rolled products in emerging regions, specifically South America and Asia. We believe South America and Asia have high growth potential in areas such as beverage cans, industrial products, construction and electronics. For example, our can stock shipments have grown by 43% in South America and by 63% in Asia from 2005 to 2008. While our manufacturing and operating presence positions us well to capture this growth, we would expect to make some incremental capital expenditures or selective acquisitions to expand our capabilities in these areas.

Our Operating Segments

Due in part to the regional nature of supply and demand of aluminum rolled products and in order to best serve our customers, we manage our activities on the basis of geographical areas and are organized under four operating segments: North America; Europe; Asia and South America. The following is a description of our operating segments:

- *North America.* Headquartered in Cleveland, Ohio, this segment manufactures aluminum sheet and light gauge products and operates 11 plants, including two fully dedicated recycling facilities, in two countries.
- *Europe.* Headquartered in Zurich, Switzerland, this segment manufactures aluminum sheet and foil products and operates 14 plants, including one dedicated recycling facility, in six countries.
- *Asia.* Headquartered in Seoul, South Korea, this segment manufactures aluminum sheet and light gauge products and operates three plants in two countries.
- *South America.* Headquartered in Sao Paulo, Brazil, this segment comprises bauxite mining, aluminum smelting operations, power generation, aluminum sheet and light gauge products and operates four plants in Brazil.

The table below shows Net sales and total shipments by segment. For additional financial information related to our operating segments, see "Note 21 — Segment, Geographical Area and Major Customer Information" to our Audited Financial Statements and "Note 15 — Segment, Major Customer and Major Supplier Information" to our Unaudited Financial Statements included elsewhere in this prospectus.

	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
	Successor	Successor	Successor	Successor	Predecessor	Predecessor	Predecessor
Consolidated							
Net sales(1)	$ 1,960	$ 3,103	$ 10,177	$ 9,965	$ 1,281	$ 2,630	$ 9,849
Total shipments	691	825	2,943	2,787	363	772	3,123
North America							
Net sales	$ 767	$ 1,083	$ 3,930	$ 3,649	$ 446	$ 925	$ 3,691
Total shipments	261	294	1,109	1,031	134	286	1,229
Europe							
Net sales	$ 665	$ 1,218	$ 3,718	$ 3,829	$ 510	$ 1,057	$ 3,620
Total shipments	212	299	1,009	973	133	287	1,073
Asia							
Net sales	$ 326	$ 510	$ 1,536	$ 1,605	$ 216	$ 413	$ 1,692
Total shipments	130	140	460	471	60	117	516
South America							
Net sales	$ 204	$ 295	$ 1,007	$ 887	109	$ 235	$ 863
Total shipments	88	92	365	312	36	82	305

(1) Consolidated Net sales include the results of our non-consolidated affiliates on a proportionately consolidated basis, which is consistent with the way we manage our business segments. These net sales were $2 million, $3 million, $14 million, $5 million, and $17 million, for the three months ended June 30, 2009, the three months ended June 30, 2008, the year ended March 31, 2009, the period from May 16, 2007 through March 31, 2008 and for the year ended December 31, 2006, respectively. There were less than $1 million of net sales from our non-consolidated affiliates in each of the periods from April 1, 2007 through May 15, 2007, and the three months ended March 31, 2007.

We have highly automated, flexible and advanced manufacturing capabilities in operating facilities around the globe. In addition to the aluminum rolled products plants, our South America segment operates bauxite mining, alumina refining, hydro-electric power plants and smelting facilities. We believe our facilities have the assets required for efficient production and are well managed and maintained. For a further discussion of financial information by geographic area, refer to "Note 21 — Segment, Geographical Area and Major Customer Information" to our Audited Financial Statements included elsewhere in this prospectus.

North America

Through 11 aluminum rolled products facilities, including two fully dedicated recycling facilities as of June 30, 2009, North America manufactures aluminum sheet and light gauge products. Important end-use markets for this segment include beverage cans, containers and packaging, automotive and other transportation applications, building products and other industrial applications.

The majority of North America's efforts are directed towards the beverage can sheet market. The beverage can end-use market is technically demanding to supply and pricing is competitive. We believe we have a competitive advantage in this market due to our low-cost and technologically advanced manufacturing facilities and technical support capability. Recycling is important in the manufacturing process and we have five facilities in North America that re-melt post-consumer aluminum and recycled process material. Most of the recycled material is from used beverage cans and the material is cast into sheet ingot for North America's two can sheet production plants (at Logan, Kentucky and Oswego, New York).

In June 2008, we closed our Louisville, Kentucky plant where we produced light gauge converter foil products.

Europe

Europe produces value-added sheet and foil products through 12 operating plants as of June 30, 2009, including one dedicated recycling facility.

Europe serves a broad range of aluminum rolled product end-use markets including: construction and industrial; beverage and food can; foil and technical products; lithographic; automotive and other. Beverage and food represent the largest end-use market in terms of shipment volume by Europe.

Europe also has foil packaging facilities at six locations, and in addition to rolled product plants, has distribution centers in Italy and France together with sales offices in several European countries. In April 2009, we closed the distribution center in France.

In March 2009, we announced the closure of our aluminum sheet mill in Rogerstone, South Wales, U.K. The facility ceased operations in April 2009.

Asia

Asia operates three manufacturing facilities as of June 30, 2009 and manufactures a broad range of sheet and light gauge products. End-use markets include beverage and food cans, foil, electronics and construction and industrial products. The beverage can market represents the largest end-use market in terms of volume. Recycling is an important part of our Korean operations with recycling facilities at both the Ulsan and Yeongju facilities.

We believe that Asia is well-positioned to benefit from further economic development in China as well as other parts of Asia.

South America

South America operates two rolling plants, two primary aluminum smelters, and hydro-electric power plants as of June 30, 2009, all of which are located in Brazil. South America manufactures various aluminum rolled products, including can stock, automotive and industrial sheet and light gauge for the beverage and food can, construction and industrial and transportation and packaging end-use markets. More than 80% of our shipments for the past two years were in the beverage and food can market.

The primary aluminum operations in South America include a mine, refinery and smelters used by our Brazilian aluminum rolled products operations, with any excess production being sold on the market in the form of aluminum billets. South America generates a portion of its own power requirements.

In May 2009, we ceased the production of alumina at our Ouro Preto facility in Brazil as the sustained decline in alumina prices has made alumina production economically unfeasible. In light of the current alumina and aluminum pricing environment, we are evaluating our primary aluminum business.

Financial Information About Geographic Areas

Certain financial information about geographic areas is contained in Note 21 to the accompanying audited consolidated financial statements for the year ended March 31, 2009.

Raw Materials and Suppliers

The raw materials that we use in manufacturing include primary aluminum, recycled aluminum, sheet ingot, alloying elements and grain refiners. Our smelters also use alumina, caustic soda and calcined petroleum coke and resin. These raw materials are generally available from several sources and are not generally subject to supply constraints under normal market conditions. We also consume considerable amounts of energy in the operation of our facilities.

Aluminum

We obtain aluminum from a number of sources, including the following:

Primary Aluminum Sourcing. We purchased or tolled approximately 1,820 kt of primary aluminum in fiscal 2009 in the form of sheet ingot, standard ingot and molten metal, as quoted on the LME, approximately 47% of which we purchased from Alcan. Following our spin-off from Alcan, we have continued to purchase aluminum from Alcan pursuant to the metal supply agreements described under "Business — Arrangements Between Novelis and Alcan." Our primary aluminum contracts with Alcan were renegotiated and the amended agreements took effect on January 1, 2008.

Primary Aluminum Production. We produced approximately 103 kt of our own primary aluminum requirements in fiscal 2009 through our smelter and related facilities in Brazil.

Recycled Aluminum Products. We operate facilities in several plants to recycle post-consumer aluminum, such as UBCs collected through recycling programs. In addition, we have agreements with several of our large customers where we take recycled processed material from their fabricating activity and re-melt, cast and roll it to re-supply them with aluminum sheet. Other sources of recycled material include lithographic plates, where over 90% of aluminum used is recycled, and products with longer lifespans, like cars and buildings, which are just starting to become high volume sources of recycled material. We purchased or tolled approximately 1,025 kt of recycled material inputs in fiscal 2009.

The majority of recycled material we re-melt is directed back through can-stock plants. The net effect of these activities in terms of total shipments of rolled products is that approximately 32% of our aluminum rolled products production for fiscal 2009 was made with recycled material.

Energy

We use several sources of energy in the manufacture and delivery of our aluminum rolled products. In fiscal 2009, natural gas and electricity represented approximately 89% of our energy consumption by cost. We also use fuel oil and transport fuel. The majority of energy usage occurs at our casting centers, at our smelters in South America and during the hot rolling of aluminum. Our cold rolling facilities require relatively less energy. We purchase our natural gas on the open market, which subjects us to market pricing fluctuations. We have in the past and may continue to seek to stabilize our future exposure to natural gas prices through the purchase of derivative instruments. Natural gas prices in Europe, Asia and South America have historically been more stable than in the United States.

A portion of our electricity requirements are purchased pursuant to long-term contracts in the local regions in which we operate. A number of our facilities are located in regions with regulated prices, which affords relatively stable costs.

Our South America segment has its own hydroelectric facilities that meet approximately 25% of its total electricity requirements for smelting operations. As a result of supply constraints, electricity prices in South America have been volatile, with spot prices increasing dramatically. We have a mixture of self-generated electricity, long term fixed contracts and shorter term semi-variable contracts. Although spot prices have returned to normal levels, we may continue to face challenges renewing our South American energy supply contracts at effective rates to enable profitable operation of our full smelter capacity.

Others

We also have bauxite and alumina requirements. We will satisfy some of our alumina requirements for the near term pursuant to the alumina supply agreement we have entered into with Alcan as discussed below under "Business — Arrangements Between Novelis and Alcan."

Our Customers

Although we provide products to a wide variety of customers in each of the markets that we serve, we have experienced consolidation trends among our customers in many of our key end-use markets. In fiscal

2009, approximately 45% of our total net sales were to our ten largest customers, most of whom we have been supplying for more than 20 years. To address consolidation trends, we focus significant efforts at developing and maintaining close working relationships with our customers and end-users. Our major customers include:

Agfa-Gevaert N.V.
Alcan's packaging business group
Anheuser-Busch Companies, Inc.
Affiliates of Ball Corporation
BMW Group
Can-Pack S.A.
Various bottlers of the Coca-Cola system
Crown Cork & Seal Company, Inc.
Daching Holdings Limited
Lotte Aluminum Co. Ltd.
Kodak Polychrome Graphics GmbH
Impress
Pactiv Corporation
Rexam Plc
Ryerson Inc.
Tetra Pak Ltd.

In our single largest end-use market, beverage can sheet, we sell directly to beverage makers and bottlers as well as to can fabricators that sell the cans they produce to bottlers. In certain cases, we also operate under umbrella agreements with beverage makers and bottlers under which they direct their can fabricators to source their requirements for beverage can body, end and tab stock from us. Among these umbrella agreements is the an agreement with several North American bottlers of Coca-Cola branded products, including Coca-Cola Bottlers' Sales and Services. Under this agreement, we shipped approximately 352 kt of beverage can sheet (including tolled metal) during fiscal 2009. These shipments were made to, and we received payment from, our direct customers, being the beverage can fabricators that sell beverage cans to the Coca-Cola associated bottlers. Under the agreement, bottlers in the Coca-Cola system may join this agreement by committing a specified percentage of the can sheet required by their can fabricators to us.

Purchases by Rexam Plc and its affiliates represented approximately 20%, 17%, 15%, 14%, 16%, and 14% of our total net sales for the three months ended June 30, 2009; the year ended March 31, 2009; the period from May 16, 2007 through March 31, 2008; the period from April 1, 2007 through May 15, 2007; the three months ended March 31, 2007; and the year ended December 31, 2006, respectively.

Distribution and Backlog

We have two principal distribution channels for the end-use markets in which we operate: direct sales and distributors. Approximately 95%, 93%, 90%, 91%, 89%, and 87% of our total net sales were derived from direct sales to our customers and approximately 5%, 7%, 10%, 9%, 11%, and 13% of our total net sales were derived from distributors for the three months ended June 30, 2009; the year ended March 31, 2009; the period from May 16, 2007 through March 31, 2008; the period from April 1, 2007 through May 15, 2007; the three months ended March 31, 2007; and the year ended December 31, 2006, respectively.

Direct Sales

We supply various end-use markets all over the world through a direct sales force that operates from individual plants or sales offices, as well as from regional sales offices in 21 countries. The direct sales channel typically involves very large, sophisticated fabricators and original equipment manufacturers. Longstanding relationships are maintained with leading companies in industries that use aluminum rolled products. Supply contracts for large global customers generally range from one to five years in length and historically there has been a high degree of renewal business with these customers. Given the customized nature of products and in some cases, large order sizes, switching costs are significant, thus adding to the overall consistency of the customer base.

We also use third party agents or traders in some regions to complement our own sales force. They provide service to our customers in countries where we do not have local expertise. We tend to use third party agents in Asia more frequently than in other regions.

Distributors

We also sell our products through aluminum distributors, particularly in North America and Europe. Customers of distributors are widely dispersed, and sales through this channel are highly fragmented. Distributors sell mostly commodity or less specialized products into many end-use markets in small quantities, including the construction and industrial and transportation markets. We collaborate with our distributors to develop new end-use markets and improve the supply chain and order efficiencies.

Backlog

We believe that order backlog is not a material aspect of our business.

Research and Development

The table below summarizes our research and development expense in our plants and modern research facilities, which included mini-scale production lines equipped with hot mills, can lines and continuous casters.

	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Year Ended March 31, 2009	May 16, 2007 through March 31, 2008	April 1, 2007 through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
	Successor	Successor	Successor	Successor	Predecessor	Predecessor	Predecessor
(In millions)							
Research and development expenses	$ 8	$ 12	$ 41	$ 46	$ 6	$ 8	$ 40

We conduct research and development activities at our plants in order to satisfy current and future customer requirements, improve our products and reduce our conversion costs. Our customers work closely with our research and development professionals to improve their production processes and market options. We have approximately 200 employees dedicated to research and development, located in many of our plants and research center.

Our Employees

As of June 30, 2009, we had approximately 11,900 employees. Approximately 5,600 are employed in Europe, approximately 2,900 are employed in North America, approximately 1,500 are employed in Asia and approximately 1,900 are employed in South America and other areas. Approximately 70% of our employees are represented by labor unions and their employment conditions are governed by collective bargaining agreements. Collective bargaining agreements are negotiated on a site, regional or national level, and are of different durations. We believe that we have good labor relations in all our operations and have not experienced a significant labor stoppage in any of our principal operations during the last decade.

Intellectual Property

In connection with our spin-off, Alcan has assigned or licensed to us a number of important patents, trademarks and other intellectual property rights owned or previously owned by Alcan and required for our business. Ownership of certain intellectual property that is used by both us and Alcan is owned by one of us, and licensed to the other. Certain specific intellectual property rights, which have been determined to be exclusively useful to us or which were required to be transferred to us for regulatory reasons, have been assigned to us with no license back to Alcan.

We actively review intellectual property arising from our operations and our research and development activities and, when appropriate, we apply for patents in the appropriate jurisdictions, including the United States and Canada. We currently hold patents and patent applications on approximately 190 different items of intellectual property. While these patents and patent applications are important to our business on an aggregate basis, no single patent or patent application is deemed to be material to our business.

We have applied for or received registrations for the "Novelis" word trademark and the Novelis logo trademark in approximately 50 countries where we have significant sales or operations. Novelis uses the Aditya Birla Rising Sun logo under license from Aditya Birla Management Corporation Private Limited.

We have also registered the word "Novelis" and several derivations thereof as domain names in numerous top level domains around the world to protect our presence on the World Wide Web.

Properties

Our principal executive offices are located in Atlanta, Georgia. We had 31 operating facilities, one research facility and several market-focused innovation centers in 11 countries as of June 30, 2009. We believe our facilities are generally well-maintained and in good operating condition and have adequate capacity to meet our current business needs. Our principal properties and assets have been pledged to banks pursuant to our senior secured credit facilities, as described in "Description of Other Indebtedness."

The following tables provide information, by operating segment, about the plant locations, processes and major end-use markets/applications for the aluminum rolled products, recycling and primary metal facilities we operated during all or part of the three months ended June 30, 2009.

North America

Location	Plant Processes	Major End-Use Markets
Berea, Kentucky	Recycling	Recycled ingot
Burnaby, British Columbia	Finishing	Foil containers
Fairmont, West Virginia	Cold rolling, finishing	Foil, HVAC material
Greensboro, Georgia	Recycling	Recycled ingot
Kingston, Ontario	Cold rolling, finishing	Automotive, construction/industrial
Logan, Kentucky(1)	Hot rolling, cold rolling, finishing, recycling	Can stock
Oswego, New York	Novelis Fusion(TM) casting, hot rolling, cold rolling, recycling, finishing	Can stock, construction/industrial, semi-finished coil
Saguenay, Quebec	Continuous casting, recycling	Semi-finished coil
Terre Haute, Indiana	Cold rolling, finishing	Foil
Toronto, Ontario	Finishing	Foil, foil containers
Warren, Ohio	Coating	Can end stock

(1) We own 40% of the outstanding common shares of Logan Aluminum Inc. ("Logan"), but we have made subsequent equipment investments such that our portion of Logan's total machine hours has provided us more than 60% of Logan's total production.

Our Oswego, New York facility operates modern equipment for used beverage can recycling, ingot casting, hot rolling, cold rolling and finishing. In March 2006, we commenced commercial production using our Novelis Fusion™ technology — able to produce a high quality ingot with a core of one aluminum alloy, combined with one or more layers of different aluminum alloy(s). The ingot can then be rolled into a sheet product with different properties on the inside and the outside, allowing previously unattainable performance for flat rolled products and creating opportunity for new, premium applications. Oswego produces can stock as well as building and industrial products. Oswego also provides feedstock to our Kingston, Ontario facility, which produces heat-treated automotive sheet, and to our Fairmont, West Virginia facility, which produces light gauge sheet.

The Logan, Kentucky facility is a processing joint venture between us and Arco Aluminum Inc. ("ARCO"), a subsidiary of BP plc. Our equity investment in the joint venture is 40%, while ARCO holds the remaining 60% interest. Subsequent equipment investments have provided us with more than 60% of Logan's total production. Logan, which was built in 1985, is the newest and largest hot mill in North America. Logan

operates modern and high-speed equipment for ingot casting, hot-rolling, cold-rolling and finishing. Logan is a dedicated manufacturer of aluminum sheet products for the can stock market with modern equipment, an efficient workforce and product focus. A portion of the can end stock is coated at North America's Warren, Ohio facility, in addition to Logan's on-site coating assets. Together with ARCO, we operate Logan as a production cooperative, with each party supplying its own primary metal inputs for transformation at the facility. The transformed product is then returned to the supplying party at cost. Logan does not own any of the primary metal inputs or any of the transformed products. All of the fixed assets at Logan are directly owned by us and ARCO in varying ownership percentages or solely by each party. As discussed in "Note 1 — Business and Summary of Significant Accounting Policies" to our Audited Financial Statements included elsewhere in this prospectus, our consolidated balance sheets include our share of the assets and liabilities of Logan.

We share control of the management of Logan with ARCO through a board of directors with seven voting members on which we appoint four members and ARCO appoints three members. Management of Logan is led jointly by two executive officers who are subject to approval by at least five members of the board of directors.

Our Saguenay, Quebec facility operates the world's largest continuous caster, which produces feedstock for our two foil rolling plants located in Terre Haute, Indiana; and Fairmont, West Virginia. The continuous caster was developed through internal research and development and we own the process technology. Our Saguenay facility sources molten metal under long-term supply arrangements we have with Alcan.

Our Burnaby, British Columbia and Toronto, Ontario facilities spool and package household foil products and report to our foil business unit based in Toronto, Ontario.

Along with our recycling center in Oswego, New York, we own two other fully dedicated recycling facilities in North America, located in Berea, Kentucky and Greensboro, Georgia. Each offers a modern, cost-efficient process to recycle used beverage cans and other recycled aluminum into sheet ingot to supply our hot mills in Logan and Oswego. Berea is the largest used beverage can recycling facility in the world.

In August 2009 we entered into a UBC recycling joint venture with Alcoa to create a new independent company, known as Evermore Recycling LLC ("Evermore Recycling"). Our equity investment in Evermore Recycling is 55.8% and Alcoa's equity investment is 44.2%. Evermore Recycling will purchase UBCs from suppliers for recycling by us and Alcoa and is designed to create value by increasing efficiency, building stronger supplier relationships, and increasing recycling. Evermore Recycling is initiating commercial relationships with prospective suppliers for deliveries effective January 1, 2010.

Europe

Location	Plant Processes	Major End-Use Markets
Berlin, Germany	Converting	Packaging
Bresso, Italy	Finishing, painting	Painted sheet, architectural
Bridgnorth, United Kingdom	Cold rolling, finishing, converting	Foil, packaging
Dudelange, Luxembourg	Continuous casting, cold rolling, finishing	Foil
Göttingen, Germany	Cold rolling, finishing, painting	Can end, lithographic, painted sheet
Latchford, United Kingdom	Recycling	Sheet ingot from recycled metal
Ludenscheid, Germany	Cold rolling, finishing, converting	Foil, packaging
Nachterstedt, Germany	Cold rolling, finishing	Automotive, industrial
Norf, Germany(1)	Hot rolling, cold rolling	Can stock, foilstock, feeder stock for finishing operations
Ohle, Germany	Cold rolling, finishing, converting	Foil, packaging
Pieve, Italy	Continuous casting, cold rolling	Coil for Bresso, industrial
Rugles, France	Continuous casting, cold rolling, finishing	Foil
Sierre, Switzerland(2)	Novelis Fusion(TM) casting, hot rolling, cold rolling	Automotive sheet, industrial

(1) Operated as a 50/50 joint venture between us and Hydro Aluminium Deutschland GmbH (Hydro).

(2) We have entered into an agreement with Alcan pursuant to which Alcan retains access to the plate production capacity, which represents a portion of the total production capacity of the Sierre hot mill.

Aluminium Norf GmbH ("Norf") in Germany, a 50/50 production-sharing joint venture between us and Hydro, is a large scale, modern manufacturing hub for several of our operations in Europe, and is the largest aluminum rolling mill and remelting operation in the world. Norf supplies hot coil for further processing through cold rolling to some of our other plants, including Göttingen and Nachterstedt in Germany and provides foilstock to our plants in Ohle and Ludenscheid in Germany and Rugles in France. Together with Hydro, we operate Norf as a production cooperative, with each party supplying its own primary metal inputs for transformation at the facility. The transformed product is then transferred back to the supplying party on a pre-determined cost-plus basis. The facility's capacity is shared 50/50. We own 50% of the equity interest in Norf and Hydro owns the other 50%. We share control of the management of Norf with Hydro through a jointly-controlled shareholders' committee. Management of Norf is led jointly by two managing executives, one nominated by us and one nominated by Hydro.

In March 2009, management approved the closure of our aluminum sheet mill in Rogerstone, South Wales, U.K. The facility ceased operations in April 2009. The Rogerstone mill in the United Kingdom supplied Bridgnorth and other foil plants with foilstock and produced hot coil for Nachterstedt and Pieve. In addition, Rogerstone produced standard sheet and coil for the European distributor market.

The Pieve plant, located near Milan, Italy, mainly produces continuous cast coil that is cold rolled into paintstock and sent to the Bresso, Italy plant for painting and some specialist finishing. Göttingen also has a paint line as well as lines for can end, food and lithographic sheet.

The Dudelange and Rugles foil plants in Luxembourg and France, respectively, utilize continuous twin roll casting equipment and are two of the few foil plants in the world capable of producing 6 micron foil for aseptic packaging applications from continuous cast material. The Sierre hot rolling plant in Switzerland, along with Nachterstedt in Germany, are Europe's leading producers of automotive sheet in terms of shipments. Sierre also supplies plate stock to Alcan. In April 2008, we announced the commissioning of a new aluminum casthouse in Sierre and began producing multi-alloy sheet ingots in the plant using Novelis Fusion™ in August 2008.

Our recycling operation in Latchford, United Kingdom is the only major recycling plant in Europe dedicated to used beverage cans.

European operations also include Novelis PAE in Voreppe, France, which sells casthouse technology, including liquid metal treatment devices, such as degassers and filters, chill sheet ingot casters and twin roll continuous casters, in many parts of the world.

Asia

Location	Plant Processes	Major End-Use Markets
Bukit Raja, Malaysia(1)	Continuous casting, cold rolling	Construction/industrial, heavy and lightgauge foils
Ulsan, Korea(2)	Novelis Fusion(TM) casting, hot rolling, cold rolling, recycling	Can stock, construction/industrial, electronics, foilstock, and recycled material
Yeongju, Korea(3)	Hot rolling, cold rolling, recycling	Can stock, construction/industrial, electronics, foilstock and recycled material

(1) Ownership of the Bukit Raja plant corresponds to our 58% equity interest in Aluminium Company of Malaysia Berhad.

(2) We hold a 68% equity interest in the Ulsan plant.

(3) We hold a 68% equity interest in the Yeongju plant.

Our Korean subsidiary, in which we hold a 68% interest, was formed through acquisitions in 1999 and 2000. Since our acquisitions, product capability has been developed to address higher value and more technically advanced markets such as can sheet.

We hold a 58% equity interest in the Aluminium Company of Malaysia Berhad, a publicly traded company that wholly owns and controls the Bukit Raja, Selangor light gauge rolling facility.

Unlike our production sharing joint ventures at Norf, Germany and Logan, Kentucky, our Korean partners are financial partners and we market 100% of the plants' output.

Asia also operates recycling furnaces at both its Ulsan and Yeongju facilities in Korea for the conversion of customer and third party recycled aluminum, including used beverage cans. Metal from recycled aluminum purchases represented 26% of Asia's total shipments in fiscal 2009. In June 2008, our plant in Ulsan began the commercial production of Novelis Fusion™.

South America

Location	Plant Processes	Major End-Use Markets
Pindamonhangaba, Brazil	Hot rolling, cold rolling, recycling	Construction/industrial, can stock, foilstock, recycled ingot, foundry ingot, forge stock
Utinga, Brazil	Finishing	Foil
Ouro Preto, Brazil(1)	Smelting	Primary aluminum (sheet ingot and billets)
Aratu, Brazil	Smelting	Primary aluminum (sheet ingot)

(1) In May 2009, we ceased the production of alumina at our Ouro Preto facility in Brazil.

Our Pindamonhangaba ("Pinda") rolling and recycling facility in Brazil has an integrated process that includes recycling, sheet ingot casting, hot mill and cold mill operations. A leased coating line produces painted products, including can end stock. Pinda supplies foilstock to our Utinga foil plant, which produces converter, household and container foil.

Pinda is the largest aluminum rolling and recycling facility in South America in terms of shipments and the only facility in South America capable of producing can body and end stock. Pinda recycles primarily used beverage cans, and is engaged in tolling recycled metal for our customers.

During fiscal 2009, we conducted bauxite mining, alumina refining, primary aluminum smelting and hydro-electric power generation operations at our Ouro Preto, Brazil facility. Our owned power generation supplies approximately 25% of our smelter needs. We also own the mining rights to bauxite reserves in the Ouro Preto, Cataguases and Carangola regions.

In May 2009, we ceased the production of alumina at our Ouro Preto facility in Brazil. The global economic crisis and the recent dramatic drop in alumina prices have made alumina production at Ouro Preto economically unfeasible. Going forward, the plant will purchase alumina through third-parties. Other activities related to the facility, including electric power generation and the production of primary aluminum metal, will continue unaffected.

We also conduct primary aluminum smelting operations at our Aratu facility in Candeias, Brazil.

Legal Proceedings

In connection with our spin-off from Alcan, we assumed a number of liabilities, commitments and contingencies mainly related to our historical rolled products operations, including liabilities in respect of legal claims and environmental matters. As a result, we may be required to indemnify Alcan for claims successfully brought against Alcan or for the defense of legal actions that arise from time to time in the normal course of our rolled products business including commercial and contract disputes, employee-related claims and tax disputes (including several disputes with Brazil's Ministry of Treasury regarding various forms of manufacturing taxes and social security contributions). In addition to these assumed liabilities and contingencies, we may, in the future, be involved in, or subject to, other disputes, claims and proceedings that arise in the ordinary course of our business, including some that we assert against others, such as environmental, health and safety, product liability, employee, tax, personal injury and other matters. Where appropriate, we have established reserves in respect of these matters (or, if required, we have posted cash guarantees). While the ultimate resolution of, and liability and costs related to, these matters cannot be determined with certainty due to the considerable uncertainties that exist, we do not believe that any of these pending actions, individually or in the aggregate, will materially impair our operations or materially affect our financial condition or liquidity. The following describes certain environmental matters relating to our business, including those for which we assumed liability as a result of our spin-off from Alcan.

Environmental Matters

We are involved in proceedings under the U.S. Comprehensive Environmental Response, Compensation, and Liability Act, also known as CERCLA or Superfund, or analogous state provisions regarding liability arising from the usage, storage, treatment or disposal of hazardous substances and wastes at a number of sites in the United States, as well as similar proceedings under the laws and regulations of the other jurisdictions in which we have operations, including Brazil and certain countries in the European Union. Many of these jurisdictions have laws that impose joint and several liability, without regard to fault or the legality of the original conduct, for the costs of environmental remediation, natural resource damages, third party claims, and other expenses. In addition, we are, from time to time, subject to environmental reviews and investigations by relevant governmental authorities.

As described further in the following paragraph, we have established procedures for regularly evaluating environmental loss contingencies, including those arising from such environmental reviews and investigations and any other environmental remediation or compliance matters. We believe we have a reasonable basis for evaluating these environmental loss contingencies, and we believe we have made reasonable estimates of the costs that are likely to be borne by us for these environmental loss contingencies. Accordingly, we have established reserves based on our reasonable estimates for the currently anticipated costs associated with these environmental matters. We estimate that the undiscounted remaining clean-up costs related to all of our known environmental matters as of June 30, 2009 will be approximately $52 million. Of this amount, $40 million is

included in "Other long-term liabilities," with the remaining $12 million included in "Accrued expenses and other current liabilities in our consolidated balance sheet" as of June 30, 2009. Management has reviewed the environmental matters, including those for which we assumed liability as a result of our spin-off from Alcan. As a result of this review, management has determined that the currently anticipated costs associated with these environmental matters will not, individually or in the aggregate, materially impair our operations or materially adversely affect our financial condition, results of operations or liquidity.

With respect to environmental loss contingencies, we record a loss contingency on a non-discounted basis whenever such contingency is probable and reasonably estimable. The evaluation model includes all asserted and unasserted claims that can be reasonably identified. Under this evaluation model, the liability and the related costs are quantified based upon the best available evidence regarding actual liability loss and cost estimates. Except for those loss contingencies where no estimate can reasonably be made, the evaluation model is fact-driven and attempts to estimate the full costs of each claim. Management reviews the status of, and estimated liability related to, pending claims and civil actions on a quarterly basis. The estimated costs in respect of such reported liabilities are not offset by amounts related to cost-sharing between parties, insurance, indemnification arrangements or contribution from other potentially responsible parties ("PRPs") unless otherwise noted.

In December 2005, the United States Environmental Protection Agency ("USEPA") issued a Notice of Violation ("NOV") to the Company's processing joint venture, Logan, alleging violations of Logan's Title V Operating Permit, which regulates emissions of air pollutants from the facility. In March 2006, the Kentucky Department of Environmental Protection ("KDEP") issued a separate NOV to Logan alleging other violations of the Title V Operating Permit. In March 2009, as a result of these enforcement actions, Logan agreed to install new air pollution control equipment. Logan has also agreed to settle the USEPA NOV, including the payment of a civil penalty of $285,000. The KDEP NOV is currently subject to a Tolling Agreement with the state agency.

Legal Proceedings

Coca-Cola Lawsuits. A lawsuit was commenced against Novelis Corporation on February 15, 2007 by CCBSS in Georgia state court. CCBSS is a consortium of Coca-Cola bottlers across the United States, including Coca-Cola Enterprises Inc. CCBSS alleges that Novelis Corporation breached an aluminum can stock supply agreement between the parties, and seeks monetary damages in an amount to be determined at trial and a declaration of its rights under the agreement. The agreement includes a "most favored nations" provision regarding certain pricing matters. CCBSS alleges that Novelis Corporation breached the terms of the "most favored nations" provision. The dispute will likely turn on the facts that are presented to the court by the parties and the court's finding as to how certain provisions of the agreement ought to be interpreted. If CCBSS were to prevail in this litigation, the amount of damages would likely be material. Novelis Corporation has filed its answer and the parties are proceeding with discovery.

ARCO Aluminum Complaint. On May 24, 2007, ARCO filed a complaint against Novelis Corporation and Novelis Inc. in the United States District Court for the Western District of Kentucky. ARCO and Novelis are partners in Logan, a joint venture rolling mill located in Logan County, Kentucky. In the complaint, ARCO alleged that its consent was required in connection with Hindalco's acquisition of Novelis. Failure to obtain consent, ARCO alleged, put us in default of the joint venture agreements, thereby triggering certain provisions in those agreements. The provisions include a reversion of the production management at the joint venture to Logan from Novelis, and a reduction of the board of directors of the entity that manages the joint venture from seven members (four appointed by Novelis and three appointed by ARCO) to six members (three appointed by each of Novelis and ARCO). ARCO sought a court declaration that (1) Novelis and its affiliates are prohibited from exercising any managerial authority or control over the joint venture, (2) Novelis' interest in the joint venture is limited to an economic interest only and (3) ARCO has authority to act on behalf of the joint venture. Alternatively, ARCO sought a reversion of the production management function to Logan, and a change in the composition of the board of directors of the entity that manages the joint venture. Novelis filed its answer to the complaint on July 16, 2007.

On July 3, 2007, ARCO filed a motion for partial summary judgment with respect to one of the counts of its complaint relating to the claim that Novelis breached the joint venture agreement by not seeking ARCO's consent. On July 30, 2007, Novelis filed a motion to hold ARCO's motion for summary judgment in abeyance (pending further discovery), along with a demand for a jury. On February 14, 2008, the judge issued an order granting our motion to hold ARCO's summary judgment motion in abeyance. Following this ruling, the joint venture continued to conduct operational, management and board activities as normal.

On June 4, 2009, ARCO and Novelis entered into a settlement agreement to address and resolve all matters at issue in the lawsuit, including the Logan joint venture governance issues. On June 24, 2009, the United States District Court for the Western District of Kentucky issued a Stipulation and Order of Dismissal dismissing the lawsuit with prejudice. As a result of the settlement, among other things, Novelis will retain control of the Logan board of directors, production management responsibilities will revert to Logan, and certain Novelis employees who work at Logan will become employees of Logan.

Environment, Health and Safety

We own and operate numerous manufacturing and other facilities in various countries around the world. Our operations are subject to environmental laws and regulations from various jurisdictions, which govern, among other things, air emissions, wastewater discharges, the handling, storage and disposal of hazardous substances and wastes, the remediation of contaminated sites, post-mining reclamation and restoration of natural resources, and employee health and safety. Future environmental regulations may be expected to impose stricter compliance requirements on the industries in which we operate. Additional equipment or process changes at some of our facilities may be needed to meet future requirements. The cost of meeting these requirements may be significant. Failure to comply with such laws and regulations could subject us to administrative, civil or criminal penalties, obligations to pay damages or other costs, and injunctions and other orders, including orders to cease operations.

We are involved in proceedings under the Superfund, or analogous state provisions regarding our liability arising from the usage, storage, treatment or disposal of hazardous substances and wastes at a number of sites in the United States, as well as similar proceedings under the laws and regulations of the other jurisdictions in which we have operations, including Brazil and certain countries in the European Union. Many of these jurisdictions have laws that impose joint and several liability, without regard to fault or the legality of the original conduct, for the costs of environmental remediation, natural resource damages, third party claims, and other expenses. In addition, we are, from time to time, subject to environmental reviews and investigations by relevant governmental authorities.

We have established procedures for regularly evaluating environmental loss contingencies, including those arising from environmental reviews and investigations and any other environmental remediation or compliance matters. We believe we have a reasonable basis for evaluating these environmental loss contingencies, and we also believe we have made reasonable estimates for the costs that are likely to be ultimately borne by us for these environmental loss contingencies. Accordingly, we have established reserves based on our reasonable estimates for the currently anticipated costs associated with these environmental matters. Management has determined that the currently anticipated costs associated with these environmental matters will not, individually or in the aggregate, materially impair our operations or materially adversely affect our financial condition.

We expect that our total expenditures for capital improvements regarding environmental control facilities for the year ending March 31, 2010 will be approximately $12 million.

Arrangements Between Novelis and Alcan

In connection with our spin-off from Alcan, we entered into a number of ancillary agreements with Alcan governing certain terms of our spin-off as well as various aspects of our relationship with Alcan following the spin-off. These ancillary agreements include:

Transitional Services and Similar Agreements. Pursuant to a collection of approximately 130 individual transitional services agreements, Alcan has provided to us and we have provided to Alcan, as applicable, on an

interim, transitional basis, various services, including, but not limited to, treasury administration, selected benefits administration functions, employee compensation and information technology services. The agreed upon charges for these services generally allow us or Alcan, as applicable, to recover fully the allocated costs of providing the services, plus all out-of-pocket costs and expenses plus a margin of five percent. No margin is added to the cost of services supplied by external suppliers. The majority of the individual service agreements, which began on the spin-off date, terminated on or prior to December 31, 2005. However, we had a continuing agreement with Alcan through 2008 to use certain information technology hosting services to support our financial accounting systems for the Nachterstedt and Göttingen plants, which has now expired.

Metal Supply Agreements. We and Alcan have entered into four multi-year metal supply agreements pursuant to which Alcan supplies us with specified quantities of re-melt ingot, molten metal and sheet ingot in North America and Europe on terms and conditions determined primarily by Alcan. We believe these agreements provide us with the ability to cover some metal requirements through a pricing formula pursuant to our spin-off agreement with Alcan. In addition, an ingot supply agreement in effect between Alcan and Novelis Korea Ltd. prior to the spin-off remains in effect following the spin-off.

On February 26, 2008, we and Alcan agreed to amend and restate four existing multi-year metal supply agreements, which took effect as of January 1, 2008.

The amended and restated metal supply agreement for the supply of re-melt aluminum ingot amends and restates the supply agreement dated January 5, 2005 between the parties. This amended agreement extends the term, establishes an annual quantity of remelt ingot to be supplied and purchased subject to adjustment, establishes certain delivery requirements, changes certain pricing provisions, and revises certain payment terms, among other standard terms and conditions.

The amended and restated molten metal supply agreement for the supply of molten metal to the company's Saguenay Works Facility amends and restates the supply agreement dated January 5, 2005 between the parties. This amended agreement changes certain pricing provisions, and revises certain payment terms, among other standard terms and conditions.

The amended and restated metal supply agreement for the supply of sheet ingot in North America amends and restates the supply agreement dated January 5, 2005 between the parties. This amended agreement extends the term, establishes an annual quantity of sheet ingot to be supplied and purchased subject to adjustment, changes certain pricing provisions, and revises certain payment terms, among other standard terms and conditions.

The amended and restated metal supply agreement for the supply of sheet ingot in Europe amends and restates the supply agreement dated January 5, 2005 between the parties. This amended agreement extends the term, establishes an annual quantity of sheet ingot to be supplied and purchased subject to adjustment, and changes certain pricing provisions, among other standard terms and conditions.

Foil Supply Agreements. In 2005, we entered into foil supply agreements with Alcan for the supply of foil from our facilities located in Norf, Ludenscheid and Ohle, Germany to Alcan's packaging facility located in Rorschach, Switzerland as well as from our facilities located in Utinga, Brazil to Alcan's packaging facility located in Maua, Brazil. These agreements are for five-year terms during the course of which we will supply specified percentages of Alcan's requirements for its facilities described above (in the case of Alcan's Rorschach facility, 94% in 2006, 93% in 2007, 92% in 2008 and 90% in 2009, and in the case of Alcan's Maua facility, 70% for the term of the agreement). In addition, we will continue to supply certain of Alcan's European operations with foil under the terms of two agreements that were in effect prior to the spin-off.

Alumina Supply Agreements. We have entered into a ten-year alumina supply agreement with Alcan pursuant to which we purchase from Alcan, and Alcan supplies to us, alumina for our primary aluminum smelter located in Aratu, Brazil. The annual quantity of alumina to be supplied under this agreement is between 85 kt and 126 kt. In addition, an alumina supply agreement between Alcan and Novelis Deutschland GmbH that was in effect prior to the spin-off remains in effect following the spin-off.

DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Our Executive Officers

The following table sets forth information for persons currently serving as executive officers of our company. Biographical details as of June 30, 2009 for each of our executive officers are also set forth below.

Name	Age	Position
Philip Martens	49	President and Chief Operating Officer
Steven Fisher	38	Senior Vice President and Chief Financial Officer
Brock Shealy	48	Senior Vice President, General Counsel, Compliance Officer and Global IT Leader
Jean-Marc Germain	43	Senior Vice President and President of Novelis North America
Antonio Tadeu Coelho Nardocci	52	Senior Vice President and President of Novelis Europe
Thomas Walpole	54	Senior Vice President and President of Novelis Asia
Alexandre Almeida	45	Senior Vice President and President of Novelis South America
Robert Virtue	57	Vice President, Human Resources
Robert Nelson	52	Vice President, Controller and Chief Accounting Officer
Brenda Pulley	51	Vice President, Corporate Affairs and Communications
Nick Madden	52	Vice President, Global Procurement and Metal Management
Randal Miller	46	Vice President, Treasurer
Christopher Courts	32	Assistant General Counsel and Corporate Secretary

Philip Martens was appointed President and Chief Operating Officer effective May 8, 2009. Mr. Martens most recently served as Senior Vice President and President, Light Vehicle Systems, at ArvinMeritor Inc., a global automotive supplier, from September 2006 to January 2009 He was also President and CEO designate at Arvin Innovation, Inc., a global automotive systems supplier. Prior to that, he served as President and Chief Operating Officer of Plastech Engineered Products, an automotive supplier, from 2005 to 2006. From 1987 to 2005, he held various engineering and leadership positions at Ford Motor Company, a global automotive manufacturer, most recently serving as Group Vice President of Product Creation. Mr. Martens holds a degree in mechanical engineering from Virginia Polytechnic Institute and State University and an M.B.A. from the University of Michigan. In 2003, Martens received a Doctorate in Automotive Engineering from Lawrence Technological University for his extensive contributions to the global automotive industry.

Steven Fisher is our Senior Vice President and Chief Financial Officer. Mr. Fisher joined Novelis in February 2006 as Vice President, Strategic Planning and Corporate Development. He was appointed Chief Financial Officer in May 2007 following the acquisition of Novelis by Hindalco. Mr. Fisher served as Vice President and Controller for TXU Energy, the non-regulated subsidiary of TXU Corp., an energy company, from July 2005 to February 2006. Prior to joining TXU Energy, Mr. Fisher served in various senior finance roles at Aquila, Inc., an international electric and gas utility and energy trading company, including Vice President, Controller and Strategic Planning, from 2001 to 2005. He is also a member of the board of directors of Lionbridge Technologies, a global software language company. Mr. Fisher is a graduate of the University of Iowa in 1993, where he earned a B.B.A. in Finance and Accounting. He is a Certified Public Accountant.

Brock Shealy is our Senior Vice President, General Counsel, Compliance Officer and Global IT Leader. Mr. Shealy has served several roles in our legal and IT departments from November 2005 to present, including Associate General Counsel and Global IT Leader, Director of Compliance and Global IT, and Corporate Compliance Officer. He was appointed General Counsel, Compliance Officer and Global IT Leader in March

2009. Prior to joining Novelis, Mr. Shealy served in various senior management roles at Aquila, Inc., an electricity and natural gas distribution utility and power generator, from 1999 to October 2005. Most recently, he was the Senior Vice President and Corporate Compliance Officer. His other service with Aquila included Chief Administrative Officer of European energy merchant operations, Vice President-Human Resources, for the merchant services subsidiary and Director-Employee and Labor Relations. Mr. Shealy has a bachelor's degree in Psychology from Drury College and J.D. from the University of Missouri-Kansas City School of Law.

Jean-Marc Germain is a Senior Vice President and the President of our North American operations. Mr. Germain was Vice President Global Can for Novelis Inc. from January 2007 until May 2008 when he was appointed Senior Vice President and the President of our North American operations. He was previously Vice President and General Manager of Light Gauge Products for Novelis North America from September 2004 to December 2006, and prior to that Mr. Germain held a number of senior positions with Alcan Inc. and Pechiney S.A., which he joined in 1998. From January 2004 to August 2004 he served as co-lead of the Integration Leadership Team for the Alcan and Pechiney merger, which occurred in 2004. Prior to that, he served as Senior Vice President & General Manager Foil, Strip and Specialties Division for Pechiney from September 2001 to December 2003. Before his time at Alcan and Pechiney, Mr. Germain held a number of international posts for GE Capital, General Electric's financing unit, and Bain & Company, a global consulting firm. Mr. Germain is a graduate from École Polytechnique in Paris, France.

Antonio Tadeu Coelho Nardocci is our Senior Vice President and President of our European operations. He formerly served as Senior Vice President, Strategy, Innovation and Technology from August 2008 to June 2009 and as the Senior Vice President and President of our South American operations from February 2005 to August 2008. Mr. Nardocci joined Alcan in 1980 and was the President of Rolled Products South America from March 2002 until January 2005. Prior to that, he was a Vice President of Rolled Products operations in Southeast Asia and Managing Director of the Aluminium Company of Malaysia in Kuala Lumpur, Malaysia. Mr. Nardocci graduated from the University of São Paulo in Brazil with a degree in metallurgy. Mr. Nardocci is a member of the executive board of the Brazilian Aluminium Association.

Thomas Walpole is a Senior Vice President and the President of our Asian operations. Mr. Walpole was our Vice President and General Manager, Can Products Business Unit from January 2005 until February 2006. Mr. Walpole joined Alcan in 1979 and has held various senior management roles. Mr. Walpole held international positions within Alcan in Europe and Asia until 2004. He began as Vice President, Sales, Marketing & Business Development for Alcan Taihan Aluminum Ltd. (now Novelis Korea) and most recently was President of the Litho/Can and Painted Products for the European region. Mr. Walpole graduated from State University of New York at Oswego with a B.S. in Accounting, and holds an M.B.A. from Case Western Reserve University.

Alexandre Almeida is a Senior Vice President and President of our South American operations. Prior to this appointment in August 2008, Mr. Almeida had served as Chief Financial Officer of Novelis South America beginning in January 2005. Formerly, he was Managing Director of Alcan Composites Brasil Ltda. from 2003 to 2005, and was previously Chief Operating Officer and Chief Financial Officer for Líder Taxi Aereo S.A., a general aviation service provider in Brazil. Mr. Almeida holds a degree in Metallurgical Engineering and a Masters Degree in Computer Science from Universidade Federal de Minas Gerais, and also a postgraduate degree in Finance Administration from João Pinheiro Foundation.

Robert Virtue is our Vice President, Human Resources. Mr. Virtue has served several roles in our human resources department from January 2005 through May 2006 and October 2006 to the present, including Vice President, Compensation and Benefits; Acting Vice President, Human Resources and Director of Compensation and Benefits. He was appointed Vice President, Human Resources in May 2007. Prior to Novelis, he was Vice President, Executive Compensation with Wal-Mart Stores, Inc., an international retailer, from May 2006 through October 2006. He was Director Compensation and Benefits for American Retail Group Inc., a retail company, from 1997 through January 2005. Mr. Virtue also spent 15 years with British Petroleum PLC, a global energy company, in a variety of domestic and international human resources roles with assignments in

chemicals, coal, refining, transportation, marketing and corporate functions. Mr. Virtue earned a B.S. in Business from Boston University and an M.B.A. from Indiana University.

Robert Nelson is our Vice President, Controller and Chief Accounting Officer. Mr. Nelson served as the Acting Controller of Novelis Inc. beginning in July 2008 and was appointed Vice President, Controller and Chief Accounting Officer in November 2008. Previously, he worked for 22 years at Georgia Pacific, one of the world's leading manufacturers of tissue, pulp, paper, packaging, and building products. Mr. Nelson served in a variety of corporate and operational financial roles at Georgia Pacific, most recently as Vice President and Controller from 2004 to 2006. Prior to that, he was Vice President Finance, Consumer Products & Packaging. Mr. Nelson earned a B.S. in Accounting from the University of Illinois — Urbana-Champaign and is a Certified Public Accountant in the State of Georgia.

Brenda Pulley is our Vice President, Corporate Affairs and Communications. She has global responsibility for our organization's corporate affairs and communication efforts, which include branding, strategic internal and external communications and government relations. Prior to our spin-off from Alcan, Ms. Pulley was Vice President, Corporate Affairs and Government Relations of Alcan from September 2000 to 2004. She has served as Legislative Assistant to Congressman Ike Skelton of Missouri and to the U.S. House of Representatives Subcommittee on Small Business, specializing in energy, environment, and international trade issues. She also served as Executive Director for the National Association of Chemical Recyclers, and as Director, Federal Government Relations for Safety-Kleen Corp., a leading provider of environmental solutions for business. Ms. Pulley currently serves on the Board of Directors for Keep America Beautiful. Ms. Pulley earned her B.S. majoring in Social Science, with a minor in Communications from Central Missouri State University.

Nick Madden is our Vice President of Global Procurement and Metal Management. Prior to this role, which he assumed in October 2006, Mr. Madden served as President of Novelis Europe's Can, Litho and Recycling business unit beginning in October 2004. He was Vice President of Metal Management and Procurement for Alcan's Rolled Products division in Europe from December 2000 until September 2004 and was also responsible for the secondary recycling business. Mr. Madden holds a B.Sc. (Hons) degree in Economics and Social Studies from University College in Cardiff, Wales.

Randal Miller is our Vice President, Treasurer. Prior to joining Novelis in July 2008, Mr. Miller served as Vice President and Treasurer of Transocean Offshore Deepwater Drilling Inc., the world's largest offshore drilling company, from May 2006 to November 2007 where he was responsible for all treasury, banking, capital markets and insurance risk management activities for Transocean and its subsidiaries. From 2001 to 2006, Mr. Miller served as Vice President Finance, Treasurer of Aquila, Inc. Mr. Miller earned his B.S.B.A. from Iowa State University and M.B.A. from the University of Missouri — Kansas City.

Christopher Courts is our Assistant General Counsel and Corporate Secretary. Mr. Courts joined Novelis in April 2005, and has served as Corporate Counsel and most recently Assistant General Counsel. He was appointed Assistant General Counsel and Corporate Secretary in March 2009. Prior to joining Novelis, Mr. Courts was Senior Corporate Counsel at Aquila, Inc., from 2003 to April 2005. He previously worked as an associate for the law firm of Blackwell Sanders Peper Martin LLP. Mr. Courts has a B.B.A. in Finance from the University of Iowa and a J.D. from the University of Iowa College of Law.

Our Directors

Our Board of Directors is currently comprised of five directors. Our directors' terms will expire at each annual shareholders meeting provided that if an election of directors is not held at an annual meeting of the

shareholders, the directors then in office shall continue in office or until their successors shall be elected. Biographical details as of June 30, 2009 for each of our directors are set forth below.

Name	Director Since	Age	Position
Kumar Mangalam Birla	May 15, 2007	42	Chairman of the Board
Askaran Agarwala	May 15, 2007	76	Director
D. Bhattacharya	May 15, 2007	60	Director and Vice Chairman of the Board
Clarence J. Chandran	January 6, 2005	60	Director
Donald A. Stewart	May 15, 2007	62	Director

Kumar Mangalam Birla was elected as the Chairman of the Board of Directors of Novelis on May 15, 2007. Mr. Birla is the Chairman of the Aditya Birla Group, which is among India's largest business houses, and includes such companies as Grasim, Hindalco, UltraTech Cement, Aditya Birla Nuvo and Idea Cellular and globally — Novelis, Minacs, Aditya Birla Chemicals (Thailand) Limited and Birla Sun Life Insurance Company Limited. Mr. Birla serves as Chairman of all of the Aditya Birla Group's blue-chip companies in India. He also serves as director on the board of the Group's international companies spanning Thailand, Indonesia, Philippines, Egypt, and Canada. Additionally, Mr. Birla serves on the board of the G.D. Birla Medical Research & Education Foundation, and is a Chancellor of Birla Institute of Technology & Science, Pilani. He is a member of the London Business School's Asia Pacific Advisory Board. He is also a member and Chairman of the Staff Sub-Committee of Central Board of Reserve Bank of India.

Askaran Agarwala is a Director and Former President of Hindalco and currently Chairman of the Business Review Council of the Aditya Birla Group. Mr. Agarwala serves on the Compensation Committee of the Novelis Board of Directors. Mr. Agarwala also serves as a director of several other companies in the Aditya Birla Group, including Udyog Services Ltd., Bihar Caustic & Chemicals Ltd., Tanfac Industries Ltd., and Aditya Birla Insurance Advisory Services Limited. He is a Trustee of G.D. Birla Medical Research and Education Foundation, Vaibhav Medical and Education Foundation, Aditya Vikram Birla Memorial Trust and Sarla Basant Birla Memorial Trust. Mr. Agarwala has held the post of President of Aluminum Association of India in the past.

D. Bhattacharya is Vice Chairman of Novelis and serves on the Audit and Compensation Committees of the Novelis Board of Directors. Mr. Bhattacharya is Managing Director of Hindalco and serves as a Director of Aditya Birla Management Corporation Private Limited. He is the Chairman of Utkal Alumina International Limited and of Aditya Birla Minerals Limited in Australia. Mr. Bhattacharya also serves as a Director of Birla Management Centre Services Limited, Dahej Harbour and Infrastructure Limited, Minerals & Minerals Limited and Aditya Birla Power Company Limited and Pidilite Industries Limited. Other positions held by Mr. Bhattacharya include Hon. President — Aluminium Association of India (AAI); Director — The Fertiliser Association of India (FAI).

Clarence J. Chandran has been a director of the company since 2005. Mr. Chandran serves on the Compensation and Audit Committees of the Novelis Board of Directors, and acts as the Chairman of the Compensation Committee. Mr. Chandran serves as Chairman of the Chandran Family Foundation Inc. (healthcare research and education). He is a director of Marfort Deep Sea Technologies Inc., a company which provides Turnkey design, engineering and manufacturing of equipment for subsea field development projects, and is a past director of Alcan Inc. and MDS Inc., a global life sciences company. He retired as President, Business Process Services, of CGI Group Inc. (information technology) in 2004 and retired as Chief Operating Officer of Nortel Networks Corporation (communications) in 2001. Mr. Chandran is a member of the Duke University Board of Visitors.

Donald A. Stewart is Chief Executive Officer and a Director of Sun Life Financial Inc. and Sun Life Assurance Company of Canada, a leading international financial services company. Mr. Stewart serves on the Audit Committee of the Novelis Board of Directors and serves as its Chairman. From 1987 to 1992, Mr. Stewart held overall responsibility for Sun Life's information technology function. He was appointed Chief Executive Officer of Sun Life Trust Company in September 1992. In 1996, he was appointed President and

Chief Operating Officer, and in 1998 Chief Executive Officer of Sun Life. Mr. Stewart also serves a director of the American Council of Life Insurers and the Canadian Life and Health Insurance Association.

Corporate Governance

Holders of our 7.25% senior notes, holders of the notes described in this prospectus and other interested parties may communicate with the Board of Directors, a committee or an individual director by writing to Novelis Inc., 3399 Peachtree Road NE, Suite 1500, Atlanta, GA 30326, Attention: Corporate Secretary — Board Communication. All such communications will be compiled by the Corporate Secretary and submitted to the appropriate director or board committee. The Corporate Secretary will reply or take other actions in accordance with instructions from the applicable board contact.

Committees of Our Board of Directors

Our Board of Directors has established two standing committees: the Audit Committee and the Compensation Committee. Each committee is governed by its own charter.

According to their authority as set out in their charters, our Board of Directors and each of its committees may engage outside advisors at the expense of Novelis.

Audit Committee and Financial Experts

Our Board of Directors has a separately-designated standing Audit Committee. Messrs. Stewart, Bhattacharya and Chandran are the members of the Audit Committee. Mr. Stewart, an independent director, has been identified as an "audit committee financial expert" as that term is defined in the rules and regulations of the SEC.

Our Audit Committee's main objective is to assist our Board of Directors in fulfilling its oversight responsibilities for the integrity of our financial statements, our compliance with legal and regulatory requirements, the qualifications and independence of our independent registered public accounting firm and the performance of both our internal audit function and our independent registered public accounting firm. Under the Audit Committee charter, the Audit Committee is responsible for, among other matters:

- evaluating and compensating our independent registered public accounting firm;
- making recommendations to the Board of Directors and shareholders relating to the appointment, retention and termination of our independent registered public accounting firm;
- discussing with our independent registered public accounting firm their qualifications and independence from management;
- reviewing with our independent registered public accounting firm the scope and results of their audit;
- pre-approving all audit and permissible non-audit services to be performed by our independent registered public accounting firm;
- review areas of potential significant financial risk and the steps taken to monitor and manage such exposures;
- overseeing the financial reporting process and discussing with management and our independent registered public accounting firm the interim and annual financial statements that we file with the SEC; and
- reviewing and monitoring our accounting principles, accounting policies and disclosure, internal control over financial reporting and disclosure controls and procedures.

Compensation Committee

Our Compensation Committee establishes our general compensation philosophy and oversees the development and implementation of compensation policies and programs. It also reviews and approves the level of

and/or changes in the compensation of individual executive officers taking into consideration individual performance and competitive compensation practices. The committee's specific roles and responsibilities are set out in its charter. Our Compensation Committee periodically reviews the effectiveness of our overall management organization structure and succession planning for senior management, reviews recommendations for the appointment of executive officers, and reviews annually the development process for high potential employees.

Code of Conduct and Guidelines for Ethical Behavior

Novelis has adopted a Code of Conduct for the Board of Directors and Senior Managers and maintains a Code of Ethics for Senior Financial Officers that applies to our senior financial officers including our principal executive officer, principal financial officer, principal accounting officer, or persons performing similar functions. We also maintain a Code of Conduct that governs all of our employees. Copies of the Code of Conduct for the Board of Directors and Senior Managers and the Code of Ethics for Senior Financial Officers are available on our website at www.novelis.com. We will promptly disclose any future amendments to these codes on our website as well as any waivers from these codes for executive officers and directors. Copies of these codes are also available in print from our Corporate Secretary upon request. Information on our website does not constitute part of this prospectus.

Compensation Discussion and Analysis

Introduction

This section provides a discussion of the background and objectives of our compensation programs for senior management, as well as a discussion of all material elements of the compensation of each of the named executive officers for the fiscal year ended March 31, 2009 identified in the following table. The named executive officers are determined in accordance with SEC rules and include (1) the persons that served as our principal executive officer and principal financial officer during any part of fiscal 2009 and (2) the three other highest paid executive officers that were employed on March 31, 2009.

Name	Title
Martha Finn Brooks	Former President and Chief Operating Officer
Steven Fisher	Senior Vice President and Chief Financial Officer
Arnaud de Weert	Former President of Novelis Europe
Jean-Marc Germain	Senior Vice President and President of Novelis North America
Thomas Walpole	Senior Vice President and President of Novelis Asia

Compensation Committee and Role of Management

The Compensation Committee of our board of directors (the "Committee") has the responsibility for approving the compensation programs for our named executive officers and making decisions regarding specific compensation to be paid or awarded to them. The Committee acts pursuant to a charter approved by our board, which is reviewed annually.

Our Vice President Human Resources serves as the management liaison officer for the Committee. Our human resources and legal departments provide assistance to the Committee in connection with administration of the Committee's responsibilities.

Our named executive officers have no direct role in setting their own compensation. The Committee, however, normally meets with our President and Chief Operating Officer to evaluate performance against pre-established goals and the President and Chief Operating Officer makes recommendations to the board regarding budgets, which affect certain goals. Our President and Chief Operating Officer also makes recommendations regarding compensation matters related to other named executive officers and provide input regarding executive compensation programs and policies generally.

Management also assists the Committee by providing information needed or requested by the Committee (such as our performance against budget and objectives, historic compensation, compensation expense, our policies and programs, and peer companies) and by providing input and advice regarding compensation programs and policies and their impact on the Company and its executives.

Objectives and Design of Our Compensation Program

Our executive compensation program is designed to attract, retain, and reward talented executives who can contribute to our long-term success and thereby build value for our shareholder. The program is organized around three fundamental principles:

- *Provide Total Direct Compensation Opportunities That Are Competitive with Similar Positions at Comparable Companies:* To enable us to attract, motivate and retain qualified executives, total direct compensation opportunities for each executive (base pay, annual short-term incentives and long-term incentives) are targeted at levels to be competitive with similar positions at comparable companies. The Committee strives to create a total direct compensation package that is at the median of the peer companies described below.
- *A Substantial Portion of Total Direct Compensation Should Be at Risk Because It Is Performance-Based:* We believe executives should be rewarded for their performance. Consequently, a substantial portion of an executive's total direct compensation should be at risk, with amounts actually paid dependent on performance against pre-established objectives for the individual and us. The proportion of an individual's total direct compensation that is based upon these performance objectives should increase as the individual's business responsibilities increase.
- *A Substantial Portion of Total Direct Compensation Should be Delivered in the Form of Long-Term Performance Based Awards:* We believe a long-term stake in the sustained performance of Novelis effectively aligns executive and shareholder interests and provides motivation for enhancing shareholder value. As a result, we may provide long-term performance based awards, which are generally paid in cash.

The Committee recognizes that the engagement of strong talent in critical functions may entail recruiting new executives at times and involve negotiations with individual candidates. As a result, the Committee may determine in a particular situation that it is in our best interests to negotiate compensation packages that deviate from the principles set forth above.

In fiscal 2009, the Committee and the board, elected not to use the services of a compensation consultant, but instead chose to evaluate our compensation programs based on generally available market data including the following:

1. Compensation information derived from SEC filings for the named executive officers of the following peer group of companies: Air Products, Ashland Inc., Ball Corporation, Bemis, Coca Cola Enterprises Inc., Commercial Metals Company, Crown Holdings, Cummins Inc., Eastman Chemical, Ecolab Inc., MeadWestvaco, Monsanto, Newell Rubbermaid, Nucor Corp., Owens Illinois, Pactiv Corp., Parker-Hannifin, PPG Industries, Praxair Inc., Rohm and Haas, Smurfit-Stone Container, Temple-Inland and Worthington Industries.

2. Market data provided by Hay Group (a global human resource consulting firm). This comprised of companies of size US$1Bn+ in revenues in the sectors of Manufacturing and Materials. This information was provided for all levels of the organization.

3. Data from several compensation surveys published by leading global human resources consulting firms.

Elements of Our Compensation Program

Our compensation program consists of the following key elements:

- Base Pay
- Short-Term (Annual) Incentives
- Long-Term Incentives
- Employee Benefits

The Committee periodically compares the competitiveness of these key elements to that of companies in our peer group and to the market data provided by the Hay Group and other human resources consulting firms. Our general goal is to be at or near the 50th percentile among our peer group. In fiscal 2009, this review revealed that the total direct compensation opportunity for our executive officers was at our target, without significant variation by position and by element of compensation.

Base Pay. Based on market practices, the Committee believes it is appropriate that some portion of total direct compensation (generally 20% to 40%) be provided in a form that is fixed and liquid. Base salary for our named executive officers is generally reviewed by the Committee in the first quarter of each fiscal year and any increases are effective on July 1. In setting base salary, the Committee is mindful of its overall goal for allocation of total compensation to this element and the median base salary for comparable positions at companies in our peer group and as confirmed by additional market data.

Short-Term (Annual) Incentives. We believe having an annual incentive opportunity is necessary to attract, retain and reward key management. Our general philosophy is that annual cash incentives should be tied to both company-wide and business unit goals as well as individual performance. Annual incentives should be consistent with the strategic goals set by the board, and the performance benchmarks should be sufficiently ambitious so as to provide meaningful incentive to our executive officers. In the normal circumstances, we would expect that approximately 20% of an executive officer's total direct compensation opportunity would be attributable to short-term incentives.

Annual Incentive Plan — 2008 — 2009

Our Committee and board, after input from management, approved the Annual Incentive Plan ("AIP") — 2008 — 2009 to provide short-term incentives for the period from April 1, 2008 through March 31, 2009. The performance benchmarks for the year were tied to three key components: (1) Operating Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") performance; (2) Operating free cash flow performance; and (3) satisfaction of certain Environment, Health and Safety ("EHS") targets. The specific weightings among these three components were 45% for operating EBITDA performance, 45% for operating free cash flow performance and 10% for EHS targets. For Ms. Brooks and Mr. Fisher, the incentive benchmarks are tied to company-wide performance. For the other named executive officers, the incentive benchmarks are based on the company-wide performance as well as the performance of the specific region for which they are responsible.

The potential payout attributable to operating EBITDA could have ranged from: (1) 0% of target if fiscal 2009 performance did not exceed the performance threshold; (2) 100% of target if fiscal 2009 results met the business plan target; and (3) up to a maximum of 200% of target if fiscal 2009 results met or exceeded the high end business plan target. The potential payout attributable to operating free cash flow could have ranged from: (1) 0% of target if fiscal 2009 performance did not exceed the performance threshold; (2) 100% of target if fiscal 2009 results met the business plan target; and (3) up to 200% of target if fiscal 2009 results met or exceeded the high end business plan target. The potential payout attributable to EHS objectives also ranged from 0% to 200% of target and was measured against continuous improvement targets for recordable cases and lost time injuries and illness as well as the completion of strategic EHS initiatives.

The table below summarizes the targets and payments for the fiscal 2009 short-term incentive plan covering the period from April 1, 2008 through March 31, 2009:

Name	Fiscal 2009 Target	Fiscal 2009 Actual
Martha Finn Brooks	$ 825,000	$ 113,850
Steven Fisher	$ 337,500	$ 46,575
Arnaud de Weert	$ 367,031	$ 160,457
Jean-Marc Germain	$ 195,000	$ 15,422
Thomas Walpole	$ 156,750	$ 26,177

Long-Term Incentives. The Committee believes that a substantial portion of each executive's total direct compensation opportunity (generally 40% to 60%) should be based on long-term performance. The awards should align the interests of our executives and our shareholder. The opportunity to receive long-term incentive compensation by an executive in a given year is generally determined by reference to the market for long-term incentive compensation among our peer group companies group and as confirmed by additional market data. The Committee is also mindful of long-term incentive awards made in prior years and takes such awards into account in determining the amount of current-year awards.

Long-Term Incentive Plan — FY 2008 — FY 2010 (2008 LTIP)

The Committee determined for fiscal 2008, fiscal 2009 and fiscal 2010 to issue awards that are cash-based awards, 80% of which is based on economic profit performance and 20% of which is based on EBITDA performance related to innovation projects, which currently provides the best link between the interests of executives and our shareholder. For future long-term awards, the Committee will consider all types of awards and will determine at the time of each award the appropriate form of award and performance measures to use.

The Committee met during the first quarter of fiscal year 2010 to evaluate and approve fiscal 2009 payout for the 2008 LTIP. The Committee determined that no awards were earned for the period because the performance requirements were not achieved.

Name	2008-2010 LTIP Approved Grant	Eligible for Payout Based on 2009 Results	2009 LTIP Approved Level	2009 LTIP Approved Payout
Martha Finn Brooks	$ 2,100,000	$ 210,000	—%	$ —
Steven Fisher	$ 450,000	$ 45,000	—%	$ —
Arnaud de Weert	$ 450,000	$ 45,000	—%	$ —
Jean-Marc Germain	$ 450,000	$ 45,000	—%	$ —
Thomas Walpole	$ 325,000	$ 32,500	—%	$ —

Long-term Incentive Plan — FY 2009 — FY 2012 (2009 LTIP)

On June 19, 2008, the board of directors approved the Novelis Long-Term Incentive Plan for Fiscal Years 2009 — 2012 (the "2009 LTIP"). The 2009 LTIP has been designed to provide a direct line of sight for participants to company performance as measured by the increase in the price of Hindalco shares.

Awards under the 2009 LTIP consist of stock appreciation rights ("SARs"), with the value of one SAR being equivalent to the increase in value of one Hindalco share. The SARs will vest 25% each year for four years, subject to performance criteria being fulfilled. The performance criterion will be based on Operating EBIDTA performance for Novelis each year. The vesting threshold will be 75% performance versus target each year, at which point 75% of SARs due that year, would vest. There would be a straight line vesting up to 100% of performance. After the SARs have vested, they can be exercised at times decided by the employee. The value realized is dependent on the stock price of Hindalco at the time of exercise; however, the value will be restricted to a maximum of 2.5 times the target opportunity if the SARs are exercised within one year of vesting. The maximum will be 3 times for SARs exercised more than one year after vesting.

In the event a participant resigns, unvested SARs will lapse and vested SARs must be exercised within 90 days. If an employee retires more than one year from the date of grant, SARs will continue to vest and must be exercised no later than the third anniversary of retirement. In the event of death or disability, there will be immediate vesting of all SARs with one year to exercise. Upon a change in control, there would be immediate vesting and cash-out of SARs.

The following grants were made to our executives based on the 2009 LTIP Plan. Operating EBITDA for fiscal year 2009 performance did not achieve the threshold, so no SARS were vested for fiscal year 2009.

Name	2009-2012 LTIP Approved Grant	Number of SARs Granted	Number of SARs Vesting Based on FY 2009	Number of SARs Forfeited/ Canceled
Martha Finn Brooks(A)	$ 2,231,000	3,919,938	—	979,984
Steven Fisher	$ 500,000	878,516	—	219,629
Arnaud de Weert	$ 500,000	878,516	—	219,629
Jean-Marc Germain	$ 500,000	878,516	—	219,629
Thomas Walpole	$ 350,000	614,961	—	153,740

(A) Ms Brooks terminated her services with the Company effective May 8, 2009 and an additional 2,939,954 SARs granted to her were forfeited/cancelled.

Recognition Agreements

On September 25, 2006, we entered into recognition agreements with all of our executives. These agreements provided that the executive would receive a fixed number of our common shares if he or she remained employed through December 31, 2007 and December 31, 2008. Payment for the final installment of recognition shares vesting on December 31, 2008 was made in January 2009 in the amounts shown below and the Recognition Agreements expired.

Name	Recognition Shares	Consideration Received
Martha Finn Brooks	14,200	$ 638,006
Steven Fisher	2,850	$ 128,051
Arnaud de Weert	4,100	$ 184,213
Jean-Marc Germain	2,700	$ 121,311
Thomas Walpole	3,500	$ 157,255

Employee Benefits

- *U.S. Pension Plan:*

  Effective January 1, 2006, we adopted the Novelis Pension Plan and the Novelis Supplemental Executive Retirement Plan (the "Novelis SERP"), which provide benefits identical to the benefits provided under the Alcancorp plans. Executives who were participants in the Alcancorp Pension Plan participate in the Novelis Pension Plan and Novelis SERP (collectively referred to as the "U.S. Pension Plan"). Executives who were not participants in the Alcancorp Pension Plan or who were hired on or after January 1, 2005 do not participate in the U.S. Pension Plan. Ms. Brooks and Messrs. Germain and Walpole are all participants in the U.S. Pension Plan.

  Additional Pension Benefits: In addition to her participation in the U.S. Pension Plan described above, Ms. Brooks will receive from us a supplemental pension equal to the excess, if any, of the pension she would have received from her employer prior to joining Alcan had she been covered by her prior employer's pension plan until her separation or retirement from Novelis, over the sum of her pension from the U.S. Pension Plan and the pension rights actually accrued with her previous employer.

- *Swiss Pension Schemes:* Since our spin-off from Alcan, we continued to participate in Alcan's two pension schemes in Switzerland: (1) the Pensionskasse Alcan Schweiz (a defined benefit plan) and (2) the Erganzungskasse Alcan Schweiz (a defined contribution plan). The defined benefit plan is computed based on a participant's final annual earnings (up to a limit and less a coordination amount) and service up to 45 years. The defined contribution plan only recognizes earnings in excess of the defined benefit earnings limit. Mr. de Weert was the only named executive officer eligible for the Swiss pension schemes in 2008.
- *Savings Plan and Non-Qualified Defined Contribution Plan:* All U.S. based executives are eligible to participate in our tax qualified savings plan. We match up to 4.5% of pay (up to the IRS compensation limit; $245,000 for calendar year 2009) for participants who contribute 6% of pay or more to the savings plan. In addition, U.S. based executives hired on or after January 1, 2005 are eligible to share in our discretionary contributions. Discretionary contributions are first made to the qualified plan (up to the IRS compensation limit) and any excess amounts are made to our non-qualified defined contribution plan. For fiscal 2009, we made a discretionary contribution equal to 5% of pay. Mr. Fisher was the only named executive officer eligible for a discretionary contribution for the period.
- *Perquisites:* As noted in our Summary Compensation Table, we provide our officers with certain perquisites consistent with market practice. We do not view perquisites as a significant element of our comprehensive compensation structure.
- *Health & Welfare Benefits:* Executives are entitled to participate in our employee benefit plans (including medical, dental, disability, and life insurance benefits) on the same basis as other employees.

Employment-Related Agreements

Each of our named executive officers during fiscal 2009 was covered by an employment or letter agreement setting forth the general terms of his or her employment as well as various other employment related agreements.

See Employment-Related Agreements and Certain Employee Benefit Plans below for a discussion of these agreements.

Timing of Compensation Decisions

The Committee develops an annual agenda to assist it in fulfilling its responsibilities. Generally, in the first quarter of each fiscal year, the Committee (1) reviews prior year performance and authorizes the distribution of short-term incentive and long-term incentive pay-outs, if any, for the prior year, (2) establishes performance criteria for the current year short-term incentive program, (3) reviews base pay and annual short-term incentive targets for executives, and (4) recommends to the board of directors the form of award and performance criteria for the current cycle of the long-term incentive program.

Long-term incentive awards are generally considered and approved by the Committee during the first quarter of each fiscal year, although the Committee may deviate from this practice when appropriate under the circumstances.

Compensation Committee Report

The Committee has reviewed and discussed the foregoing Compensation Discussion and Analysis with management. Based on the Committee's review of and discussions with management, the Committee recommended to the board of directors that the Compensation Discussion and Analysis be included in this Annual Report on Form 10-K.

The foregoing report is provided by the following directors, who constitute the Committee:

Mr. Clarence J. Chandran, Chairman
Mr. Debnarayan Bhattacharya
Mr. Askaran Agarwala

Summary Compensation Table

The table below sets forth information regarding compensation for our named executive officers for the fiscal year ended March 31, 2009, the fiscal year ended March 31, 2008 and the three month transition period ended March 31, 2007.

Name and Principal Position	Year	Salary	Bonus	Stock Awards(A)	Option Awards	Non-Equity Incentive Plan Compensation(B)	Change in Pension Value(C)	All Other Compensation(D)	Total
Martha Finn Brooks,	2009	$731,250	$ —	$ 211,104	$ —	$ 113,850	$344,054	$ 90,666	$ 1,490,924
President and	2008	672,572	—	896,739	10,466,761	1,096,223	97,640	92,991	13,322,926
Chief Operating Officer	J-M 2007	163,750	—	1,692,965	264,377	147,375	97,363	12,707	2,378,537
Steven Fisher,	2009	$425,000	$ —	$ 42,370	$ —	$ 46,575	$ —	$ 67,657	$ 581,602
Senior Vice President and Chief Financial Officer	2008	334,538	40,000	171,780	386,927	361,175	—	63,732	1,358,152
Arnaud de Weert,	2009	$625,745	$ —	$ 60,953	$ —	$ 160,457	$ 17,205	$ 108,161	$ 972,521
Senior Vice President	2008	674,280	—	247,123	670,448	601,043	24,801	114,236	2,331,931
and President of Novelis Europe	J-M 2007	158,000	—	29,202	140,621	98,750	4,219	20,203	450,995
Jean-Marc Germain,	2009	$318,625	$ —	$ 40,140	$ —	$ 15,422	$ 24,847	$ 126,681	$ 525,715
Senior Vice President and President of Novelis North America									
Thomas Walpole,	2009	$281,250	$ —	$ 52,033	$ —	$ 26,177	$221,833	$ 539,251	$ 1,120,544
Senior Vice President	2008	270,000	—	217,752	981,865	210,890	59,765	607,032	2,347,304
and President of Novelis Asia	J-M 2007	66,458	—	289,674	278,790	34,406	73,616	3,866	746,810

(A) For the year ended March 31, 2009, these stock awards represent awards under our Recognition agreements.

(B) For the year ended March 31, 2009, these represent awards earned under the Novelis Annual Incentive Plan (AIP).

(C) Represents the aggregate change in actuarial present value of the named executive officer's accumulated benefit under our qualified and non-qualified defined benefit pension plans during fiscal 2009. Assumptions used in the calculation of these amounts are included in Note 14 to our audited consolidated financial statements for the year ended March 31, 2009.

(D) The amounts shown in the All Other Compensation Column reflect the values from the table below.

Name	Severance Related Payments	Company Contribution to Defined Contribution Plans(A)	Group Life Insurance	Relocation and Hosing Related Payments	Child Tuition Reimbursement	Other Perquisites and Personal Benefits	Total
Martha Finn Brooks	$ —	$ 8,075	$ 2,106	$ —	$ 51,420	$ 29,065(B)	$ 90,666
Steven Fisher	$ —	$ 40,647	$ 457	$ —	$ —	$ 26,553(B)	$ 67,657
Arnaud de Weert	$ —	$ 83,563	$ —	$ —	$ —	$ 24,598(C)	$ 108,161
Jean-Marc Germain	$ —	$ 9,705	$ 470	$ —	$ 98,042	$ 18,464(B)	$ 126,681
Thomas Walpole	$ —	$ 8,916	$ 1,024	$ 527,309(D)	$ —	$ 2,002(E)	$ 539,251

(A) Represents matching contribution (and discretionary contributions in the case of Mr. Fisher) made to our tax qualified and non-qualified defined contribution plans.

(B) Includes executive flex allowance, car allowance, tax advice and home security, each of which individually had an aggregate incremental cost less than $25,000.

(C) Includes executive flex allowance and car allowance, each of which individually had an aggregate incremental cost less than $25,000.

(D) Includes: (i) an Expatriate Premium of $153,346; (ii) Employer paid Korean Tax Deposit of $166,492; (iii) Employer provided housing of $119,544; (iv) Employer paid car/driver for Korean assignment of $64,091; (v) travel reimbursement of $23,543 and (vi) club dues of $293.

(E) Includes car allowance and tax advice, each of which individually had an aggregate incremental cost less than $25,000.

Grants of Plan-Based Awards in Fiscal 2009

The table below sets forth information regarding grants of plan-based awards made to our named executive officers for the year ended March 31, 2009.

Name	Grant Date	Estimated Future Payout Under Non-Equity Incentive Plan Awards(A)			Estimated Future Payout Under Equity Incentive Plan Awards(B)		
		Threshold	Target	Maximum	Threshold	Target ($)	Maximum
Martha Finn Brooks	11/19/2008	$ —	$ 825,000	$ 1,650,000	$ —	$ 2,231,000	$ 6,693,000
Steven Fisher	11/19/2008	$ —	$ 337,500	$ 675,000	$ —	$ 500,000	$ 1,500,000
Arnaud de Weert	11/19/2008	$ —	$ 367,031	$ 734,062	$ —	$ 500,000	$ 1,500,000
Jean-Marc Germain	11/19/2008	$ —	$ 195,000	$ 390,000	$ —	$ 500,000	$ 1,500,000
Thomas Walpole	11/19/2008	$ —	$ 156,750	$ 313,500	$ —	$ 350,000	$ 1,050,000

(A) This grant was made under the Novelis Annual Incentive Plan (AIP) for the year ended March 31, 2009.

(B) This grant was made under the 2009 LTIP in the form of SARs.

Employment-Related Agreements and Certain Employee Benefit Plans

Each of our named executive officers was subject to an employment or letter agreement during fiscal 2009. The terms of each such agreement is summarized below.

Agreement with Martha Finn Brooks

We entered into an employment agreement with Ms. Brooks dated November 8, 2004. Pursuant to this agreement, she served as our President and Chief Operating Officer with a base salary of $750,000 in fiscal 2009. Ms. Brooks was eligible for all of our executive long-term and short-term incentive plans and is entitled to certain executive perquisites. She was also eligible for our broad-based employee benefit and health plans. We also agreed to reimburse Ms. Brooks for certain expenses that she may incur in connection with private school tuition costs for her children in grades one through twelve. As part of her May 2, 2002 employment agreement with Alcan, we guaranteed that the total combined qualified and non-qualified pension benefits Ms. Brooks receives under the Novelis, Alcan and Cummins (her former employer) pension plans will not be less than the pension benefit that she would have received if she remained covered by the Cummins Pension Plan from October 16, 1986, until her retirement/termination with us.

On May 8, 2009, we entered into a separation and release agreement with Ms. Brooks, regarding the terms of her departure from the Company. The Agreement became effective on May 15, 2009, seven days from the date of execution.

Pursuant to the Agreement, Ms. Brooks will receive a goodwill incentive consisting of 1,000,000 stock appreciation rights of Hindalco common stock ("SARs") at an exercise price of INR 60.50. Each SAR shall be equivalent to one Hindalco share. The SARs, which vested on May 8, 2009, may be exercised, in whole or in part, at any time during a three year exercise period commencing May 8, 2009. Any unexercised SARs shall lapse at the end of the exercise period. The value of one SAR will be the increase in the price of one Hindalco share from the exercise price subject to a maximum price of INR 143.75. The value shall be paid in cash to Ms. Brooks within two weeks of each exercise. Additionally, we agreed to indemnify Ms. Brooks under our director and officer insurance policies and released her from future claims relating to her employment with Novelis.

Ms. Brooks was granted the goodwill incentive, in part, as an acknowledgement that she voluntarily delayed her retirement with the Company (a) until her successor could be identified and (b) to facilitate an efficient leadership transition. Additionally, as further consideration for the goodwill incentive, Ms. Brooks:

provided a release to Novelis waiving any and all claims she may have against us; agreed to provide continued cooperation with any pending or future litigation, proceeding or hearing; and agreed to not disclose any proprietary information obtained while working at Novelis. Ms. Brooks also agreed to provide general consulting services to Novelis for up to 10 hours a month for a period of six months. Should she provide more than 10 hours of consulting per month, Ms. Brooks will be paid at an hourly rate of $625 subject to a maximum of $5,000 per day.

Agreement with Philip Martens

On April 16, 2009, the board of directors appointed Philip Martens to succeed Ms. Brooks as President and Chief Operating Officer, effective May 8, 2009. On that date, the board ratified the employment agreement between Mr. Martens and the Company dated April 11, 2009. Pursuant to this employment agreement, Mr. Martens will receive an annual base salary of $700,000, an annual short term target bonus percentage of 90% of his base salary (i.e., $630,000), and an annualized long term incentive target opportunity of $2,000,000. However, during his first year of employment, Mr. Martens will receive not less than 50% of the target of his annual short term target bonus for the fiscal year ended March 31, 2010 (i.e., $315,000).

Mr. Martens will receive benefits and perquisites customarily provided to our executives. He will be entitled to receive two years annual base salary and target short term incentive opportunity (less any other severance payments) as severance pay if he is terminated involuntarily except for cause, death, disability, or retirement. Other severance benefits described in his employment agreement include a lump sum payment to assist him with post-employment medical continuation coverage, life insurance benefits, and retirement benefits.

As part of the employment agreement, Mr. Martens agreed to a non-competition provision, prohibiting him from competing with the Company during his employment and for a period of 24 months thereafter. He also agreed to not solicit (a) the Company's customers and suppliers or (b) its employees during his employment and for a period of 24 months thereafter.

His employment agreement also states that Mr. Martens' will receive an agreement providing employment protection in the event of a change in control of the Company. Accordingly, the Company and Mr. Martens' entered into a Change in Control Agreement dated as of April 16, 2009 (the "CIC Agreement"). The CIC Agreement will terminate upon the earlier of (i) April 15, 2011, unless a change in control event occurs on or before such date, or (ii) 24 months following the date of a change in control event. Pursuant to the CIC Agreement, he will be entitled to the following payments if the Company terminates his employment other than for cause, or if he resigns for good reason, within 24 months after a change in control event:

- a lump sum cash amount equal to two times the sum of (1) his annual base salary plus (2) his target short term incentive opportunity for the calendar year in which the change in control occurs; the lump sum cash amount will be reduced by the amount of severance payments, if any, paid or payable to him other than pursuant to the CIC Agreement to avoid duplication of payments;
- other benefits described in the CIC Agreement including a lump sum payment to assist him with post-employment medical continuation coverage, life insurance benefits, and retirement benefits; and
- a "gross-up" reimbursement for any excise tax liability imposed by Section 4999 of the Internal Revenue Code.

Such payments shall not be made if his employment terminates because of death, disability, or retirement.

Agreement with Steven Fisher

We entered into an employment agreement with Mr. Fisher dated January 17, 2006. He currently serves as our Senior Vice President and Chief Financial Officer (effective May 16, 2007) with a base salary of $450,000 in fiscal 2009. Mr. Fisher is eligible for all of our executive long-term and short-term incentive plans and is entitled to certain executive perquisites. He is also eligible for our broad-based employee benefit and health plans.

Agreement with Arnaud de Weert

Mr. de Weert became our Senior Vice President and President of Novelis Europe effective May 1, 2006. Pursuant to his employment agreement, he was entitled to a base salary of $587,250 in fiscal 2009 (435,000 Euros converted to U.S. Dollars at the March 31, 2009 exchange rate of 1.35 U.S. Dollars per Euro) and was eligible for short-term and long-term incentives. Mr. de Weert also participated in our broad-based employee benefit programs and received other executive perquisites. We also agreed to reimburse Mr. de Weert for certain expenses that he may have incurred in connection with his relocation to Zurich. Mr. de Weert's agreement also provided for a minimum of twelve months severance upon his involuntary termination of employment.

On June 8, 2009, the Company announced that Antonio Tadeu Coelho Nardocci was named President, Novelis Europe, effective immediately. Mr. Nardocci succeeds Arnaud de Weert, who is leaving the company on August 31, 2009 to pursue new opportunities.

Agreement with Jean-Marc Germain

We entered into an employment agreement with Mr. Germain dated April 28, 2008. He currently serves as our Senior Vice President and President of Novelis North America (effective May 15, 2008) with a base salary of $325,000 in fiscal 2009. Mr. Germain is eligible for all of our executive long-term and short-term incentive plans and is entitled to certain executive perquisites. Mr. Germain's agreement provides for eighteen months severance upon his involuntary termination except for cause. He is also eligible for certain tuition reimbursements for the education of his children through the end of the 2009 — 2010 school year. He is also eligible for our broad-based employee benefit and health plans.

Agreement with Thomas Walpole

We entered into an employment agreement with Mr. Walpole effective as of February 1, 2007, pursuant to which he serves as our Senior Vice President and President of Novelis Asia with a base salary of $285,000 in fiscal 2009. Under his agreement, Mr. Walpole is entitled to an expatriate premium and relocation allowance, each in amount equal to 10% of his base salary (net after tax). Mr. Walpole is also eligible for our executive long-term and short-term incentive plans and certain executive perquisites as well as our broad-based employee benefit and health plans. During the term of his Korean assignment, Mr. Walpole is provided with a fully furnished home which is paid for by Novelis Korea Limited and is entitled to be reimbursed for one personal trip to the United States during the year for himself and his family members.

Change in Control Agreements

We entered into change in control agreements on September 26, 2006 with all of our named executive officers, except for Mr. Germain. These agreements expired on May 15, 2009. We entered into new, and similar, agreements with Messrs. Fisher, Germain and Walpole on June 25, 2009.

Long-term Incentive Plan (LTIP) — FY 2009 — FY 2012

On June 19, 2008, the board of directors approved the Novelis Long-Term Incentive Plan for Fiscal Years 2009 — 2012 (2009 LTIP). The 2009 LTIP has been designed to provide a clear line of sight for participants to company performance as measured by the increase in the price of Hindalco shares.

Awards under the 2009 LTIP will consist of stock appreciation rights (SARs), with the value of one SAR equivalent to the increase in value of one Hindalco share. The SARs will vest 25% each year for four years, subject to performance criteria being fulfilled. The performance criterion will be based on Operating EBIDTA performance for Novelis each year. The vesting threshold will be 75% performance versus target each year, at which point 75% of SARs due that year, would vest. There would be a straight line vesting up to 100% of performance. After the SARs have vested, they can be exercised anytime by the employee. The upside so realized would be dependent on the stock price of Hindalco at the time of exercise; however, the upside would be restricted to a maximum of 2.5 times the proportionate target opportunity if the SARs are exercised within one year of vesting. The maximum will be 3 times for SARs exercised more than one year after vesting.

In the event a participant resigns, unvested SARs will lapse and vested SARs must be exercised within 90 days. If an employee retires more than one year from the date of grant, SARs will continue to vest and must be exercised no later than the third anniversary of retirement. In the event of death or disability, there will be immediate vesting of all SARs with one year to exercise. Upon a change in control, there would be immediate vesting and cash-out of SARs.

The following table presents the 2009 LTIP target amounts for our principal executive officer, principal financial officer, and our named executive officers.

Name	LTIP Target
Martha Finn Brooks	$ 2,231,000
Steven Fisher	$ 500,000
Arnaud de Weert	$ 500,000
Jean-Marc Germain	$ 500,000
Thomas Walpole	$ 350,000

Option Exercises and Stock Vested in 2009

The table below sets forth the information regarding stock options that were exercised or were cancelled and paid out during fiscal 2009 and stock awards that vested and were paid out during fiscal 2009.

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise or Cancellation	Value Realized on Exercise or Cancellation	Number of Shares Acquired on Vesting or Cancellation(A)	Value Realized on Vesting or Cancellation
Martha Finn Brooks	—	$ —	14,200	$ 638,006
Steven Fisher	—	$ —	2,850	$ 128,051
Arnaud de Weert	—	$ —	4,100	$ 184,213
Jean-Marc Germain	—	$ —	2,700	$ 121,311
Thomas Walpole	—	$ —	3,500	$ 157,255

(A) Represents values for Recognition Awards.

Outstanding Equity Awards as of March 31, 2009

	SAR Awards			
Name	Number of Securities Underlying Unexercised SARs Exercisable	Number of Securities Underlying Unexercised SARs Unexercisable	SAR Exercise Price(A)	SAR Expiration Date
Martha Finn Brooks	—	2,939,954(B)	$ 1.16	June 19, 2015
Steven Fisher	—	658,887	$ 1.16	June 19, 2015
Arnaud de Weert	—	658,887	$ 1.16	June 19, 2015
Jean-Marc Germain	—	658,887	$ 1.16	June 19, 2015
Thomas Walpole	—	461,221	$ 1.16	June 19, 2015

(A) SARs issued are payable in cash based on the stock performance of Hindalco Industries Limited, listed on the National Stock Exchange in Mumbai, India. Novelis is a subsidiary of Hindalco Industries Limited. The Exercise price of 60.5 Indian Rupees converted to US$ based on an exchange rate of 1US$=INR 52.17 which was the closing exchange rate on March 31, 2009.

(B) Ms Brooks terminated her services with the Company effective May 8, 2009 and an additional 2,939,954 SARs granted to her were forfeited /cancelled.

Pension Benefits in Fiscal 2009

The table below sets forth information regarding the present value as of March 31, 2009 of the accumulated benefits of our named executive officers under our defined benefit pension plans (both qualified and non-qualified). U.S. executives who were hired on or after January 1, 2005 are not eligible to participate in our defined benefit pension plans.

Name	Plan Name(A)	Number of Years Credited Service	Present Value of Accumulated Benefit(B)	Payments During Last Fiscal Year
Martha Finn Brooks	Novelis Pension Plan	6.667	$125,445	$ —
	Novelis SERP	6.667	744,392(C)	—
Steven Fisher	Not eligible	—	$ —	$ —
Arnaud de Weert	Pensionskasse Alcan Schweiz	2.917	$ 55,659	$ —
Jean-Marc Germain	Novelis Pension Plan	2.25	$ 27,726	$ —
	Novelis SERP	2.25	19,814	—
Thomas Walpole	Novelis Pension Plan	29.833	$766,967	$ —
	Novelis SERP	29.833	592,814	—

(A) See Compensation Discussion and Analysis — Elements of Our Compensation, Employee Benefits for a discussion of these plans.

(B) See Note 15 to our audited consolidated financial statements for the year ended March 31, 2009, for a discussion of the assumptions used in the calculation of these amounts.

(C) Includes an amount of $126,589 as the present value of accumulated benefit under the Cummins Minimum Pension Guarantee as outlined as part of Ms. Brooks' employment agreement.

The following table shows estimated retirement benefits, expressed as a percentage of eligible earnings, payable upon normal retirement at age 65:

	Years of Service					
	10	15	20	25	30	35
U.S. Pension Plan	17%	25%	34%	42%	51%	59%
Swiss Pension Scheme	18%	27%	36%	45%	54%	63%

Potential Payments Upon Termination or Change in Control

This section provides an estimate of the payments and benefits that would be paid to certain of our named executive officers, at March 31, 2009, upon voluntary or involuntary termination of employment. This section, however, does not reflect any payments or benefits that would be paid to our salaried employees generally, including for example accrued salary and vacation pay; regular pension benefits under our qualified and non-qualified defined benefit plans; normal distribution of account balances under our qualified and non-qualified defined contribution plans; or normal retirement, death or disability benefits.

	Martha Finn Brooks(A)				
Type of Payment	Voluntary Termination by Executive	Termination by us for Cause	Termination by us without Cause	Termination by us without Cause or by Executive for Good Reason in Connection with Change in Control	Death or Disability
Short-Term Incentive Pay(B)	$ 825,000	$ —	$ 825,000	$ 825,000	$ 825,000
Long-Term Incentive Plan(C)	—	—	—	—	—
Severance	—	—	1,500,000(D)	3,150,000(E)	—
Retirement plans	—	—	—	390,861(F)	—
Lump sum cash payment for continuation of health coverage	—	—	—	49,948(G)	—
Continued group life insurance coverage	—	—	—	4,997(H)	—
Total	$ 825,000	$ —	$ 2,325,000	$ 4,420,806	$ 825,000

(A) In addition to the estimated payments set forth in this table, the executive would be eligible for payments or benefits that would be paid to our salaried employees generally upon termination of employment (including, for example, earned but unpaid base salary and accrued vacation (approximately $57,692 at March 31, 2009). Ms. Brooks was not eligible for retirement on March 31, 2009.

(B) These amounts represent 100% of the executive's target short-term incentive opportunity for the period April 1, 2008 through March 31, 2009.

(C) These amounts represent the amount of Long-Term Incentive Plan (LTIP) that would have been earned as of March 31, 2009.

(D) This amount is equal to 200% of executive's annual base salary and would be paid pursuant to the executive's Employment Agreement.

(E) This amount is equal to two times the sum of executive's base salary and target short-term incentive and would be paid pursuant to the executive's Change in Control Agreement.

(F) This amount is equal to the present value of two additional years of benefit accrual under our qualified and non-qualified retirement plans and is payable pursuant to the executive's Change in Control Agreement. See the Pension Benefits table for pension benefits accrued as of March 31, 2009.

(G) Pursuant to the executive's Change in Control Agreement, this amount is intended to assist the executive in paying post-employment health coverage and is equal to 24 months times the COBRA premium rate in effect at March 31, 2009, grossed up for applicable taxes using an assumed tax rate of 40%.

(H) The executive's Change in Control Agreement provides that the executive will be entitled to two additional years of coverage under our group life insurance plan.

	Steven Fisher(A)				
Type of Payment	Voluntary Termination by Executive	Termination by us for Cause	Termination by us without Cause	Termination by us without Cause or by Executive for Good Reason in Connection with Change in Control	Death or Disability
Short-Term Incentive Pay(B)	$ 337,500	$ —	$ 337,500	$ 337,500	$ 337,500
Long-Term Incentive Plan(C)	—	—	—	—	—
Severance	—	—	56,250(D)	1,575,000(E)	—
Retirement plans	—	—	—	100,800(F)	—
Lump sum cash payment for continuation of health coverage	—	—	—	49,948(G)	—
Continued group life insurance coverage	—	—	—	1,432(H)	—
Total	$ 337,500	$ —	$ 393,750	$ 2,064,680	$ 337,500

(A) In addition to the estimated payments set forth in this table, the executive would be eligible for payments or benefits that would be paid to our salaried employees generally upon termination of employment (including, for example, earned but unpaid base salary and accrued vacation (approximately $34,615 at March 31, 2009). Mr. Fisher was not eligible for retirement on March 31, 2009.

(B) These amounts represent 100% of the executive's target short-term incentive opportunity for the period April 1, 2008 through March 31, 2009.

(C) These amounts represent the amount of Long-Term Incentive Plan (LTIP) that would have been earned as of March 31, 2009.

(D) This amount is equal to the benefit payable under the Novelis Severance Pay Plan.

(E) This amount is equal to two times the sum of executive's base salary and target short-term incentive and would be paid pursuant to the executive's Change in Control Agreement.

(F) This amount is equal to the present value of two additional years of benefit accrual under our qualified and non-qualified retirement plans and is payable pursuant to the executive's Change in Control Agreement.

(G) Pursuant to the executive's Change in Control Agreement, this amount is intended to assist the executive in paying post-employment health coverage and is equal to 24 months times the COBRA premium rate in effect at March 31, 2009, grossed up for applicable taxes using an assumed tax rate of 40%.

(H) The executive's Change in Control Agreement provides that the executive will be entitled to two additional years of coverage under our group life insurance plan.

	Arnaud de Weert(A)				
Type of Payment	Voluntary Termination by Executive	Termination by us for Cause	Termination by us without Cause	Termination by us without Cause or by Executive for Good Reason in Connection with Change in Control	Death or Disability
Short-Term Incentive Pay(B)	$ 367,031	$ —	$ 367,031	$ 367,031	$ 367,031
Long-Term Incentive Plan(C)	—	—	—	—	—
Severance	—	—	685,125(D)	1,908,563(E)	—
Retirement plans	—	—	—	213,793(F)	—
Total	$ 367,031	$ —	$ 1,052,156	$ 2,489,387	$ 367,031

(A) In addition to the estimated payments set forth in this table, the executive would be eligible for payments or benefits that would be paid to our salaried employees generally upon termination of employment (including, for example, earned but unpaid base salary and accrued vacation (approximately $45,173 at March 31, 2009). Mr. de Weert was not eligible for retirement on March 31, 2009.

(B) These amounts represent 100% of the executive's target short-term incentive opportunity for the period April 1, 2008 through March 31, 2009.

(C) These amounts represent the amount of Long-Term Incentive Plan (LTIP) that would have been earned as of March 31, 2009.

(D) This amount is equal to 14 months of executive's annual base salary and would be paid pursuant to the executive's Employment Agreement.

(E) This amount is equal to two times the sum of executive's base salary and target short-term incentive and would be paid pursuant to the executive's Change in Control Agreement.

(F) This amount is equal to the present value of two additional years of benefit accrual under our qualified and non-qualified retirement plans and is payable pursuant to the executive's Change in Control Agreement. See the Pension Benefits table for pension benefits accrued as of March 31, 2009.

	Jean-Marc Germain(A)				
Type of Payment	Voluntary Termination by Executive	Termination by us for Cause	Termination by us without Cause	Termination by us without Cause or by Executive for Good Reason in Connection with Change in Control	Death or Disability
Short-Term Incentive Pay(B)	$ 195,000	$ —	$ 195,000	$ —	$ 195,000
Long-Term Incentive Plan(C)	—	—	—	—	—
Severance	—	—	780,000(D)	—	—
Retirement plans	—	—	—	—	—
Continued group life insurance coverage	—	—	—	—	—
Total	$ 195,000	$ —	$ 975,000	$ —	$ 195,000

(A) In addition to the estimated payments set forth in this table, the executive would be eligible for payments or benefits that would be paid to our salaried employees generally upon termination of employment (including, for example, earned but unpaid base salary and accrued vacation (approximately $25,000 at March 31, 2009). Mr. Germain was not eligible for retirement on March 31, 2009.

(B) These amounts represent 100% of the executive's target short-term incentive opportunity for the period April 1, 2008 through March 31, 2009.

(C) These amounts represent the amount of Long-Term Incentive Plan (LTIP) that would have been earned as of March 31, 2009.

(D) This amount is equal to 18 months of executive's annual base salary and target bonus and would be paid pursuant to the executive's Employment Agreement.

	Thomas Walpole(A)				
Type of Payment	Voluntary Termination by Executive	Termination by us for Cause	Termination by us without Cause	Termination by us without Cause or by Executive for Good Reason in Connection with Change in Control	Retirement Death or Disability
Short-Term Incentive Pay(B)	$ 156,750	$ —	$ 156,750	$ 156,750	$ 156,750
Long-Term Incentive Plan(C)	—	—	—	—	—
Severance	—	—	486,875(D)	883,500(E)	—
Retirement plans	—	—	—	270,619(F)	—
Continued group life insurance coverage	—	—	—	2,352(G)	—
Total	$ 156,750	$ —	$ 643,625	$ 1,313,221	$ 156,750

(A) In addition to the estimated payments set forth in this table, the executive would be eligible for payments or benefits that would be paid to our salaried employees generally upon termination of employment (including, for example, earned but unpaid base salary and accrued vacation (approximately $21,923 at March 31, 2009). Mr. Walpole was eligible for retirement on March 31, 2009.

(B) These amounts represent 100% of the executive's target short-term incentive opportunity for the period April 1, 2008 through March 31, 2009.

(C) These amounts represent the amount of Long-Term Incentive Plan (LTIP) that would have been earned as of March 31, 2009.

(D) This amount is equal to the benefit payable under the Novelis Severance Pay Plan.

(E) This amount is equal to two times the sum of executive's base salary and target short-term incentive and would be paid pursuant to the executive's Change in Control Agreement.

(F) This amount is equal to the present value of two additional years of benefit accrual under our qualified and non-qualified retirement plans and is payable pursuant to the executive's Change in Control Agreement. See the Pension Benefits table for pension benefits accrued as of March 31, 2009.

(G) The executive's Change in Control Agreement provides that the executive will be entitled to two additional years of coverage under our group life insurance plan.

Director Compensation — for Directors for the Period April 1, 2008 through March 31, 2009

The Chair of our board of directors is entitled to receive cash compensation equal to $250,000 per year, and the Chair of our Audit Committee is entitled to receive $175,000 per year. Each of our other directors is entitled to receive compensation equal to $150,000 per year, plus an additional $5,000 if he is a member of our Audit Committee. Directors' fees are paid in quarterly installments.

On July 8, 2008, our Chairman of the board, Mr. Birla, informed the company that due to current and foreseeable business conditions, he was foregoing the payment of his Novelis director fees until further notice. On November 5, 2008, Mr. Stewart informed the board that he was also foregoing his Novelis director fees with effective date of July 1, 2008 until further notice. All directors, however, will continue to receive reimbursement for out-of-pocket expenses associated with attending board and committee meetings. The table below sets forth the total compensation received by our non-employee directors for the year ended March 31, 2009.

Name	Fees Earned or Paid in Cash	
Kumar Mangalam Birla	$	62,500
D. Bhattacharya	$	155,000
Askaran K. Agarwala	$	150,000
Clarence J. Chandran	$	155,000
Donald A. Stewart	$	—

Compensation Committee Interlocks and Insider Participation

In fiscal 2009, only Independent Directors served on the Committee. Clarence J. Chandran was the Chairman of the Committee. The other Committee members during all or part of the year were Mr. D. Bhattacharya and Mr. Askaran Agarwala. No member of our Committee had any relationship with us requiring disclosure under Item 404 of SEC Regulation S-K. During fiscal 2008, none of our executive officers served as:

- a member of the compensation committee (or other board committee performing equivalent functions or, in the absence of any such committee, the entire Board of Directors) of another entity, one of whose executive officers served on our Committee;
- a director of another entity, one of whose executive officers served on our Committee; or
- a member of the compensation committee (or other board committee performing equivalent functions or, in the absence of any such committee, the entire board of directors) of another entity, one of whose executive officers served as one of our directors.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

On May 15, 2007, the Company was acquired by Hindalco through its indirect wholly-owned subsidiary AV Metals Inc. (Acquisition Sub) pursuant to a plan of arrangement (the "Arrangement") entered into on February 10, 2007 and approved by the Ontario Superior Court of Justice on May 14, 2007.

Subsequent to completion of the Arrangement on May 15, 2007, all of our common shares were indirectly held by Hindalco.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

In accordance with our Audit Committee charter, our Audit Committee is responsible for reviewing the terms of our Code of Conduct for the Board of Directors and Senior Managers, which includes disclosure requirements applicable to our senior managers and our directors relating to conflicts of interest. Accordingly, the Audit Committee is responsible for reviewing and approving the terms and conditions of all transactions that involve the Company, one of our directors or executive officers or any of their immediate family members. On February 11, 2009, the Board of Directors authorized us to enter into the Unsecured Credit Facility of $100 million with a scheduled maturity date of January 15, 2015 from a company affiliated with the Aditya Birla group. Our Chairman, Kumar Mangalam Birla, also serves as Chairman of the Aditya Birla group; thus, we consider the Unsecured Credit Facility to be a related party transaction. On August 11, 2009 we repaid in full and terminated the Unsecured Credit Facility with a portion of the proceeds of the offering of the old notes. For each advance under the Unsecured Credit Facility, interest was payable quarterly at a rate of 13% per annum prior to the first anniversary of the advance and 14% per annum thereafter. We paid $1,410,728.21 in interest under the Unsecured Credit facility and the largest aggregate amount of principal outstanding under the Unsecured Credit Facility was $94,306,922.59. We have not entered into any other related party transactions since March 31, 2008 that meet the requirements for disclosure in this prospectus.

See “Directors, Executive Officers and Corporate Governance — Board of Directors and Corporate Governance Matters” for additional information regarding the independence of our Board of Directors.

We maintain various policies and procedures that govern related party transactions. Pursuant to our Code of Conduct for the Board of Directors and Senior Managers, senior managers and directors of the Company (a) must avoid any action that creates or appears to create, a conflict of interest between their own interest and the interest of the Company, (b) cannot usurp corporate opportunities, and (c) must deal fairly with third parties. This policy is available on our website at www.novelis.com. In addition, we have enacted procedures to monitor related party transactions by (x) identifying possible related parties through questions in our director and officer questionnaires, (y) determining whether we receive payments from or make payments to any of the identified related parties, and (z) if we determine payments are made or received, researching the nature of the interactions between the Company and the related parties and ensuring that the related person does not have an interest in the transaction with the related party.

DESCRIPTION OF OTHER INDEBTEDNESS

Senior Secured Credit Facilities

General. Our senior secured credit facilities consist of (1) the $1.16 billion seven-year Term Loan Facility that can be increased by up to $180 million subject to the satisfaction of certain conditions and (2) the $800 million five-year ABL Facility. Following the completion of the offering of the old notes, we used approximately $81 million of the proceeds plus additional cash on hand to repay a portion of the outstanding amount under the ABL Facility. Mandatory minimum principal amortization payments under the Term Loan Facility are $2.95 million per calendar quarter. Any unpaid principal is due in full on July 6, 2014. Substantially all of our assets are pledged as collateral under the senior secured credit facilities. The senior secured credit facilities are also guaranteed by substantially all of our restricted subsidiaries that guarantee our 7.25% senior notes and that guarantee the old notes.

Borrowings. Borrowings under the ABL Facility are generally based on 85% of eligible accounts receivable and 75% of eligible inventories.

Interest Rate and Fees. Generally, for both the Term Loan Facility and ABL Facility, interest rates reset periodically and interest is payable on a periodic basis depending on the type of loan.

Under the ABL Facility, interest charged depends on the type of loan as follows: (1) any U.S. swingline loan or any loan categorized as an alternate base rate ("ABR") borrowing will bear interest at an annual rate equal to the alternate base rate (which is the greater of (a) the base rate in effect on a given day and (b) the federal funds effective rate in effect on a given day, plus 0.50%), plus the applicable margin; (2) Eurocurrency loans will bear interest at an annual rate equal to the adjusted LIBOR rate for the applicable interest period, plus the applicable margin; (3) loans designated as Canadian base rate borrowings will bear an annual interest rate equal to the Canadian base rate ("CAPRIME"), plus the applicable margin; (4) loans designated as bankers acceptances (BA) rate loans will bear interest at the average discount rate offered for bankers' acceptances for the applicable BA interest period, plus 0.05%, plus the applicable margin, and (5) loans designated as Euro Interbank Offered Rate ("EURIBOR") loans will bear interest annually at a rate equal to the adjusted EURIBOR rate for the applicable interest period, plus the applicable margin. Applicable margins under the ABL Facility depend upon excess availability levels calculated on a quarterly basis and range from (0.25%) to 1.75%.

Commitment fees ranging from 0.25% to 0.375% are based on average daily amounts outstanding under the ABL Facility during a fiscal quarter and are payable quarterly.

Under the Term Loan Facility, loans characterized as ABR borrowings bear interest annually at a rate equal to the alternate base rate (which is the greater of (a) the base rate in effect on a given day and (b) the federal funds effective rate in effect on a given day, plus 0.50%) plus a margin of 1.00%. Loans characterized as Eurocurrency borrowings bear interest at an annual rate equal to the adjusted LIBOR rate for the interest period in effect, plus a margin of 2.00%.

Interest Rate Swaps. As of June 30, 2009, we had entered into interest rate swaps to fix the variable interest rate on $920 million of our floating rate Term Loan Facility. We are still obligated to pay any applicable margin, as defined in senior secured credit facilities. Interest rate swaps related to $400 million at an effective weighted average interest rate of 4.0% expire March 31, 2010. In January 2009, we entered into two interest rate swaps to fix the variable interest rate on an additional $300 million of our floating Term Loan Facility at a rate of 1.49%, plus any applicable margin. These interest rate swaps are effective from March 31, 2009 through March 31, 2011. In April 2009, we entered into an additional $220 million interest rate swap at a rate of 1.97%, which is effective through April 30, 2012.

As of June 30, 2009, we have an interest rate swap in Korea on our $100 million bank loan through a 5.44% fixed rate KRW 92 billion ($92 million) loan. The interest rate swap expires in October 2010.

Prepayments. We may prepay borrowings under the senior secured credit facilities, in whole or in part, at any time and from time to time, if certain minimum prepayment amounts and currency requirements are

satisfied. We are required to repay borrowings under the senior secured credit facilities in certain circumstances in the event we receive net cash proceeds from certain collateral liquidations, asset sales, the issuance of indebtedness preferred stock or common stock not otherwise permitted under the senior secured credit facilities, or damage or destruction to our property. In addition, we are required to use either 25% or 50% of our excess cash flow in any given year to repay our borrowings under the Term Loan Facility.

Covenants. The senior secured credit facilities include various customary covenants, including limitations on our ability to:

- incur additional debt;
- create or permit certain liens to exist;
- enter into sale and leaseback transactions;
- make investments, loan and advances;
- engage in mergers, amalgamations or consolidations;
- make certain asset sales;
- pay dividends and distributions beyond certain amounts;
- engage in certain transactions with affiliates;
- prepay certain indebtedness;
- amend certain agreements governing our indebtedness;
- create or permit restrictions on the ability of our subsidiaries to pay dividends, make other distributions to us or incur liens on their assets;
- issue preferred shares or stock of subsidiaries; and
- change the business conducted by us and our subsidiaries.

In addition, under the ABL Facility, if our excess availability under the ABL Facility is less than 10% of the lender commitments under the ABL Facility or less than 10% of our borrowing base, we are required to maintain a minimum fixed charge coverage ratio of at least 1 to 1. As of June 30, 2009, our fixed charge coverage ratio was less than 1 to 1 and our excess availability was $299 million, or 37% of the lender commitments under the ABL Facility. Following the completion of the offering of the old notes, we used approximately $81 million of the proceeds plus additional cash on hand to repay a portion of the outstanding amount under the ABL Facility.

The senior secured credit facilities also contains various affirmative covenants, including covenants with respect to our financial statements, litigation and other reporting requirements, insurance, payment of taxes, employee benefits, hedging transactions and causing new subsidiaries to pledge collateral and guaranty our obligations.

Events of Default. The senior secured credit facilities contain customary events of default, including defaults with respect to:

- a default in the payment of principal when due;
- a default in the payment of interest, fees or any other amount after a specified grace period;
- a material breach of the representation or warranties;
- a default in the performance of covenants;
- the failure to make any payment when due under any indebtedness with a principal amount in excess of a specified amount;

- the failure to observe any covenant or agreement that permits or results in the acceleration of indebtedness with a principal amount in excess of a specified amount;
- certain bankruptcy events;
- certain material judgments or court orders;
- certain ERISA violations;
- the invalidity or termination of certain loan documents or the liens created in favor of the lenders; and
- a change in control.

7.25% Senior Notes

On February 3, 2005, we issued $1.4 billion aggregate principal amount of senior notes. The senior notes were priced at par, bear interest at 7.25% and mature on February 15, 2015. The 7.25% senior notes are guaranteed by all of our Canadian and U.S. restricted subsidiaries, certain of our foreign restricted subsidiaries and our other restricted subsidiaries that guarantee our senior secured credit facilities and that guarantee the old notes. The 7.25% senior notes are unsecured. As discussed above, in March 2009, we purchased 7.25% senior notes with a principal value of $275 million with the net proceeds of an additional floating rate term loan with a face value of $220 million and estimated fair value of $165 million.

Under the indenture that governs the 7.25% senior notes, we are subject to certain restrictive covenants that are substantially similar to the covenants in the indenture governing the old notes.

DESCRIPTION OF THE NOTES

The company issued the old notes and will issue the new notes under the indenture dated as of August 11, 2009 (the "Indenture"), among the company, the Subsidiary Guarantors and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). Unless the context otherwise requires, all references to the "Notes" in this "Description of the Notes" include the old notes and the new notes. The old notes and the new notes will be treated as a single class for all purposes of the Indenture. The Indenture complies with the Trust Indenture Act. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act.

The following description is a summary of the material provisions of the Indenture. It does not restate the Indenture in its entirety. You should read the Indenture because that document, and not this description, defines your rights as a holder of the Notes. Copies of the Indenture are available upon request to the company at the address indicated under "Where You Can Find More Information." You can find the definitions of certain terms used in this description under the subheading "Certain Definitions." In this description, the term "Company" refers only to Novelis Inc. and not to any of its subsidiaries.

Principal, Maturity and Interest

The Company is offering to exchange, upon the terms and subject to the conditions of this prospectus and the accompanying letter of transmittal, the new notes for all of the outstanding old notes. In addition, subject to compliance with the limitations described under "— Certain Covenants — Limitation on Debt," the Company can issue an unlimited principal amount of additional Notes at later dates under the same Indenture (the "Additional Notes"). The Company can issue the Additional Notes as part of the same series or as an additional series. Any Additional Notes that the Company issues in the future will be identical in all respects to the Notes, except that Notes issued in the future will have different issuance dates and may have different issuance prices. The Company will issue Notes only in fully registered form without coupons, in denominations of $2,000 and integral multiples of $1,000.

The Notes will mature on February 15, 2015.

Interest on the Notes will accrue at a rate of 11.5% per annum and will be payable semi-annually in arrears on February 15 and August 15, commencing on February 15, 2010. The Company will pay interest to those persons who were holders of record on the February 1 or August 1 immediately preceding each interest payment date.

Interest on the Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

The interest rate on the Notes will increase if:

(1) the Company does not file within the required time period either:

(A) a registration statement to allow for an exchange offer or

(B) a resale shelf registration statement for the Notes;

(2) one of the registration statements referred to above is not declared effective within the required time period;

(3) the exchange offer referred to above is not consummated or the resale shelf registration statement referred to above is not declared effective within the required time period; or

(4) certain other conditions are not satisfied.

Any additional interest payable as a result of any such event is referred to as "Special Interest" and all references to interest in this description include any Special Interest that becomes payable.

Ranking

The Notes are:

- senior, unsecured obligations of the Company;
- effectively junior in right of payment to all existing and future secured debt of the Company (including the Senior Secured Credit Facilities) to the extent of the value of the assets securing that debt;
- equal in right of payment (*pari passu*) with all existing and future unsecured senior debt of the Company;
- senior in right of payment to all future subordinated debt of the Company; and
- guaranteed on a senior, unsecured basis by the Subsidiary Guarantors.

As of June 30, 2009, the Company and its subsidiaries on a consolidated basis, had $2.8 billion of senior debt outstanding, none of which would have been subordinated to the Notes or the Subsidiary Guaranties.

Most of the operations of the Company will be conducted through its subsidiaries. Therefore, the Company's ability to service its debt, including the Notes, will depend substantially upon the cash flows of its subsidiaries and their ability to distribute those cash flows to the Company as dividends, loans or other payments. Certain laws restrict the ability of the Company's subsidiaries to pay dividends or to make loans and advances to it. The Company's ability to use the cash flows of those subsidiaries to make payments on the Notes will be limited to the extent of any such restrictions. Furthermore, in certain circumstances, bankruptcy, "fraudulent conveyance" laws or other similar laws could invalidate or limit the efficacy of the Subsidiary Guaranties. Any of the situations described above could make it more difficult for the Company to service its debt, including the Notes.

Except to the extent of any intercompany loans or other advances, the Company only has a stockholder's claim in the assets of its subsidiaries. Its rights as a stockholder are junior in right of payment to the valid claims of creditors of the Company's subsidiaries against those subsidiaries. Holders of the Notes will only be creditors of the Company and those subsidiaries of the Company that are Subsidiary Guarantors. In the case of subsidiaries of the Company that are not Subsidiary Guarantors, all the existing and future liabilities of those subsidiaries, including any claims of trade creditors and preferred stockholders, will effectively rank senior to the Notes.

As of June 30, 2009, the Company had $5.8 billion in total consolidated debt and other liabilities (excluding inter-company balances), of which $6.8 billion (including inter-company balances) was debt and other liabilities of the Company and the Subsidiary Guarantors, $1.0 billion (including inter-company balances) of which was debt and other liabilities of the Company's other subsidiaries and $2.0 billion was inter-company balances. The Subsidiary Guarantors and the Company's other subsidiaries have other liabilities, including contingent liabilities, that may be significant. The Indenture limits the amount of additional Debt that the Company and the Restricted Subsidiaries may Incur. Notwithstanding these limitations, the Company and its Subsidiaries may Incur substantial additional Debt. Debt may be Incurred either by Subsidiary Guarantors or by the Company's other subsidiaries.

The Notes and the Subsidiary Guaranties are unsecured obligations of the Company and the Subsidiary Guarantors, respectively. Secured Debt of the Company and the Subsidiary Guarantors, including their obligations under the Senior Secured Credit Facilities, is effectively senior to the Notes and the Subsidiary Guaranties to the extent of the value of the assets securing such Debt.

As of June 30, 2009, the outstanding secured Debt of the Company and the Subsidiary Guarantors on a consolidated basis was $1.4 billion.

See "Risk Factors — We are a holding company and depend on our subsidiaries to generate sufficient cash flow to meet our debt service obligations, including payments on the notes," "— Fraudulent conveyance laws and other legal restrictions may permit courts to void or subordinate our subsidiaries' guarantees of the notes in specific circumstances, which would prevent or limit payment under the guarantees. Certain

limitations contained in the guarantees, which are designed to avoid this result, may render the guarantees worthless"

Subsidiary Guaranties

The obligations of the Company under the Indenture, including the repurchase obligation resulting from a Change of Control, are guaranteed, jointly and severally, on a senior unsecured basis, by: (a) all the existing and all future Canadian Restricted Subsidiaries and U.S. Restricted Subsidiaries of the Company; (b) Novelis do Brasil Ltda., Novelis UK Ltd., Novelis Europe Holdings Limited, Novelis Aluminium Holding Company, Novelis Deutschland GmbH, Novelis Switzerland SA, Novelis Technology AG, Novelis AG, Novelis PAE S.A.S., Novelis Luxembourg S.A., Novelis Madeira, Unipessoal, Lda and Novelis Services Limited; and (c) any other Restricted Subsidiaries of the Company that Guarantee Debt in the future under Credit Facilities, *provided* that the borrower of such Debt is the Company or a Canadian Restricted Subsidiary or a U.S. Restricted Subsidiary. See "— Certain Covenants — Future Subsidiary Guarantors." Each Subsidiary Guarantor's liability under its Subsidiary Guaranty is limited to the lesser of (i) the aggregate amount of the Company's obligations under the Notes and the Indenture or (ii) the amount, if any, which would not have (1) rendered the Subsidiary Guarantor "insolvent" (as such term is defined in the Federal Bankruptcy Code and in the Debtor and Creditor Law of the State of New York) or (2) left it with unreasonably small capital at the time its Subsidiary Guaranty with respect to the Notes was entered into, after giving effect to the incurrence of existing Debt immediately before such time. The liability of each Subsidiary Guarantor under its Subsidiary Guaranty will also be subject to the limitations applicable under local law, including limitations related to insolvency, minimum capital requirements and fraudulent conveyances. For example, with respect to Novelis Deutschland GmbH, its liability under its Subsidiary Guaranty is limited to the extent that its net assets (*Eigenkapital*) may not fall below the amount of its stated share capital (*Stammkapital*) as a result of the enforcement of the Subsidiary Guaranty and that such an enforcement must not result in a breach of the prohibition of insolvency causing intervention (*Verbot des existenzvernichtenden Eingriffs*) by depriving Novelis Deutschland GmbH of the liquidity necessary to fulfill its financial liabilities to its creditors. With respect to the Subsidiary Guarantors organized under Swiss law, namely, Novelis AG, Novelis Switzerland S.A. and Novelis Technology AG, the liability of each such Subsidiary Guarantor under its Subsidiary Guaranty is limited to the maximum amount of its profits and reserves available for distribution.

The Subsidiary Guarantors currently generate most of the Company's consolidated net sales and own most of its consolidated assets. The subsidiaries of the Company that are not Subsidiary Guarantors represented the following approximate percentages of (a) net sales, (b) EBITDA and (c) total assets of the Company, on an historical consolidated basis:

25%	of the Company's consolidated net sales are represented by net sales to third parties by subsidiaries that are *not* Subsidiary Guarantors (for the three months ended June 30, 2009)
22%	of the Company's consolidated EBITDA is represented by the subsidiaries that are *not* Subsidiary Guarantors (for the three months ended June 30, 2009)
18%	of the Company's consolidated assets are owned by subsidiaries that are *not* Subsidiary Guarantors (as of June 30, 2009)

If the Company or a Subsidiary Guarantor, sells or otherwise disposes of either:

(1) its ownership interest in a Subsidiary Guarantor, or

(2) all or substantially all the assets of a Subsidiary Guarantor,

then the Subsidiary Guarantor so sold or disposed of will be released from all of its obligations under its Subsidiary Guaranty. In addition, if, consistent with the requirements of the Indenture, the Company redesignates a Subsidiary Guarantor as an Unrestricted Subsidiary, the redesignated Subsidiary Guarantor will be released from all its obligations under its Subsidiary Guaranty. See "— Certain Covenants — Designation of Restricted and Unrestricted Subsidiaries" and "— Merger, Consolidation and Sale of Property." A Subsidiary Guarantor will also be released from all its obligations under its Subsidiary

Guaranty in connection with any legal defeasance of the Notes or upon satisfaction and discharge of the Indenture.

Optional Redemption

Commencing August 15, 2012, the Company may, from time to time, redeem all or any portion of the Notes after giving the required notice under the Indenture at the redemption prices set forth below, plus accrued and unpaid interest, if any, to but excluding the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date). The following prices are for Notes redeemed during the periods set forth below, and are expressed as percentages of principal amount:

Period	Redemption Price
August 15, 2012 through February 14, 2013	108.625%
February 15, 2013 through February 14, 2014	105.750%
February 15, 2014 and thereafter	100.000%

At any time prior to August 15, 2012, the Company may, from time to time, redeem all or any portion of the Notes after giving the required notice under the Indenture at a redemption price equal to the greater of:

(a) 100% of the principal amount of the Notes to be redeemed, and

(b) the sum of the present values of (1) the redemption price of the Notes at August 15, 2012 (as set forth in the preceding paragraph) and (2) the remaining scheduled payments of interest from the redemption date through August 15, 2012, but excluding accrued and unpaid interest through the redemption date, discounted to the redemption date (assuming a 360 day year consisting of twelve 30 day months), at the Treasury Rate plus 50 basis points,

plus, in either case, accrued and unpaid interest, if any, to but excluding the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Any notice to holders of Notes of such a redemption shall include the appropriate calculation of the redemption price, but need not include the redemption price itself. The actual redemption price, calculated as described above, shall be set forth in an Officers' Certificate delivered to the Trustee no later than two business days prior to the redemption date unless clause (b) of the definition of "Comparable Treasury Price" is applicable, in which such Officer's Certificate should be delivered on the redemption date.

In addition, at any time and from time to time prior to August 15, 2012, the Company may redeem up to a maximum of 35% of the original aggregate principal amount of the Notes (including any Additional Notes) with the proceeds of one or more Public Equity Offerings at a redemption price equal to 111.500% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest, if any, to the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date); *provided*, *however*, that after giving effect to any such redemption, at least 65% of the original aggregate principal amount of the Notes (including any Additional Notes) remains outstanding. Notice of any such redemption shall be made within 90 days of such Public Equity Offering and such redemption shall be effected upon not less than 30 nor more than 60 days' prior notice.

Tax Redemption

The Company may, at its option, at any time redeem in whole but not in part the outstanding Notes at a redemption price equal to 100% of the principal amount thereof plus accrued and unpaid interest, if any, to the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date) if it has become obligated to pay any Additional Amounts (as defined herein) in respect of the Notes as a result of:

(a) any change in or amendment to the laws (or regulations promulgated thereunder) of any Taxing Jurisdiction, or

(b) any change in or amendment to any official position regarding the application or interpretation of such laws or regulations, which change or amendment is announced or is effective on or after the Issue Date.

See "— Additional Amounts."

Additional Amounts

The Indenture provides that payments made by or on behalf of the Company under or with respect to the Notes will be made free and clear of and without withholding or deduction for or on account of any Taxes imposed or levied by or on behalf of a Taxing Jurisdiction, unless the Company or any Subsidiary Guarantor is required by law to withhold or deduct Taxes from any payment made under or with respect to the Notes or by the interpretation or administration thereof. If, after the Issue Date, the Company or any Subsidiary Guarantor is so required to withhold or deduct any amount for or on account of Taxes from any payment made under or with respect to the Notes, the Company or such Subsidiary Guarantor will pay to each holder of Notes that are outstanding on the date of the required payment, such additional amounts (the "Additional Amounts") as may be necessary so that the net amount received by such holder (including the Additional Amounts) after such withholding or deduction will not be less than the amount such holder would have received if such Taxes had not been withheld or deducted; provided that no Additional Amounts will be payable with respect to a payment made to a holder of the Notes (an "Excluded holder"):

(a) with which the Company or such Subsidiary Guarantor does not deal at arm's length (within the meaning of the Income Tax Act (Canada)) at the time of making such payment, or

(b) which is subject to such Taxes by reason of its being connected with the relevant Taxing Jurisdiction otherwise than by the mere acquisition, holding or disposition of the Notes or the Subsidiary Guaranty or the receipt of payments thereunder.

The Company and the Subsidiary Guarantors will also:

(a) make such withholding or deduction, and

(b) remit the full amount deducted or withheld to the relevant authority in accordance with applicable law.

The Company and the Subsidiary Guarantors will furnish to the Trustee, or cause to be furnished to the Trustee, within 30 days after the date the payment of any Taxes is due pursuant to applicable law, certified copies of tax receipts evidencing that such payment has been made by the Company or any such Subsidiary Guarantor or other evidence of such payment satisfactory to the Trustee. The Trustee shall make such evidence available upon the written request of any holder of the Notes that are outstanding on the date of any such withholding or deduction.

The Company and the Subsidiary Guarantors will indemnify and hold harmless each holder of Notes that are outstanding on the date of the required payment (other than an Excluded holder) and upon written request reimburse each such holder for the amount of:

(a) any Taxes so levied or imposed by or on behalf of a Taxing Jurisdiction and paid by such holder as a result of payments made under or with respect to the Notes and any liability (including penalties, interest and expense) arising therefrom or with respect thereto, and

(b) any Taxes (other than Taxes on such holder's profits or net income) imposed with respect to any reimbursement under clause (a) above so that the net amount received by such holder after such reimbursement will not be less than the net amount such holder would have received if such reimbursement had not been imposed.

At least 30 days prior to each date on which any payment under or with respect to the Notes is due and payable, if the Company or any such Subsidiary Guarantor becomes obligated to pay Additional Amounts with respect to such payment, the Company or such Subsidiary Guarantor will deliver to the Trustee an Officers' Certificate stating the fact that such Additional Amounts will be payable, and the amounts so payable and will

set forth such other information as is necessary to enable the Trustee to pay such Additional Amounts to the holders of the Notes on the payment date. Whenever in the Indenture there is mentioned, in any context:

(a) the payment of principal (and premium, if any),

(b) purchase prices in connection with a repurchase of Notes,

(c) interest, or

(d) any other amount payable on or with respect to any of the Notes,

such mention shall be deemed to include mention of the payment of Additional Amounts provided for in this section to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

Sinking Fund

There will be no mandatory sinking fund payments for the Notes.

Change of Control Offer

Upon the occurrence of a Change of Control, the Company will be required to make an offer to each holder of Notes to repurchase all or any part (of $2,000 or any integral multiple of $1,000 in excess thereof) of such holder's Notes pursuant to the offer described below (the "Change of Control Offer") at a purchase price (the "Change of Control Purchase Price") equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the repurchase date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Within 30 days following any Change of Control, the Company shall:

(a) cause a notice of the Change of Control Offer to be sent at least once to the Dow Jones News Service or similar business news service in the United States; and

(b) send, by first-class mail, with a copy to the Trustee, to each holder of Notes, at such holder's address appearing in the Security Register, a notice stating:

(1) that a Change of Control has occurred and a Change of Control Offer is being made pursuant to the covenant entitled "Change of Control Offer" and that all Notes timely tendered will be accepted for payment;

(2) the Change of Control Purchase Price and the repurchase date, which shall be, subject to any contrary requirements of applicable law, a business day no earlier than 30 days nor later than 60 days from the date such notice is mailed;

(3) the circumstances and relevant facts regarding the Change of Control (including, if applicable, information with respect to *pro forma* historical income, cash flow and capitalization after giving effect to the Change of Control); and

(4) the procedures that holders of Notes must follow in order to tender their Notes (or portions thereof) for payment, and the procedures that holders of Notes must follow in order to withdraw an election to tender Notes (or portions thereof) for payment.

The Company will not be required to make a Change of Control Offer following a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Company and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer.

The Company will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Notes pursuant to a Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of this covenant, the Company will comply with the applicable securities laws and

regulations and will not be deemed to have breached its obligations under this covenant by virtue of such compliance.

Subject to compliance with the other covenants described in this prospectus, the Company could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control under the Indenture, but that could increase the amount of debt outstanding at such time or otherwise affect the Company's liquidity, capital structure or credit ratings.

Holders of Notes may not be entitled to require us to purchase their notes in certain circumstances involving a significant change in the composition of our board of directors, including in connection with a proxy contest where our board of directors does not approve a dissident slate of directors but approves them as continuing directors, even if our board of directors initially opposed the directors.

The definition of Change of Control includes a phrase relating to the sale, transfer, assignment, lease, conveyance or other disposition of "all or substantially all" the Property of the Company and the Restricted Subsidiaries, considered as a whole. Although there is a body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, if the Company and the Restricted Subsidiaries, considered as a whole, dispose of less than all this Property by any of the means described above, the ability of a holder of Notes to require the Company to repurchase its Notes may be uncertain. In such a case, holders of the Notes may not be able to resolve this uncertainty without resorting to legal action.

The Senior Secured Credit Facilities provide that certain of the events that would constitute a Change of Control would also constitute a default under the Senior Secured Credit Facilities and entitle the lenders under those facilities to require that such debt be repaid. Other future debt of the Company may prohibit certain events that would constitute a Change of Control or require such debt to be repurchased or repaid upon a Change of Control. Moreover, if holders of Notes exercise their right to require the Company to repurchase such Notes, the Company could be in breach of obligations under existing and future debt of the Company. Finally, the Company's ability to pay cash to holders of Notes upon a repurchase may be limited by the Company's then existing financial resources. The Company cannot assure you that sufficient funds will be available when necessary to make any required repurchases. The Company's failure to repurchase Notes, as required following a Change of Control Offer, would result in a default under the Indenture. Such a default would, in turn, constitute a default under the Senior Secured Credit Facilities and other existing debt of the Company and may constitute a default under future debt as well. The Company's obligation to make an offer to repurchase the Notes as a result of a Change of Control may be waived or modified at any time prior to the occurrence of such Change of Control with the written consent of the holders of at least a majority in aggregate principal amount of the Notes. See "— Amendments and Waivers."

Certain Covenants

Covenant Termination and Suspension. The Indenture provides that the covenants set forth in this section will be applicable to the Company and its Restricted Subsidiaries unless the Company reaches Investment Grade Status. After the Company has reached Investment Grade Status, and notwithstanding that the Company may later cease to have an Investment Grade Rating from either or both of the Rating Agencies, the Company and the Restricted Subsidiaries will be under no obligation to comply with the covenants set forth in this section, except for the covenants described under the following headings:

- the second paragraph under "— Limitation on Liens,"
- the second paragraph under "— Limitation on Sale and Leaseback Transactions,"
- "— Designation of Restricted and Unrestricted Subsidiaries" (other than clause (x) of the third paragraph (and such clause (x) as referred to in the first paragraph thereunder))," and
- "— Future Subsidiary Guarantors."

The Company and the Subsidiary Guarantors will also, upon reaching Investment Grade Status, remain obligated to comply with the provisions described under "— Merger, Consolidation and Sale of Property" (other than clause (e) of the first and second paragraphs thereunder).

If, prior to the Company reaching Investment Grade Status, the Notes receive an Investment Grade Rating from one of the Rating Agencies and no Default or Event of Default has occurred and is continuing then, beginning on that day and continuing until the Investment Grade Rating assigned by that Rating Agency to the Notes subsequently decline as a result of which the Notes do not carry an Investment Grade Rating from at least one Rating Agency (such period being referred to as a "Suspension Period"), the covenants set forth in the Indenture, except for those specifically listed above, will be suspended and will not be applicable during that Suspension Period.

In the event that the Company and the Restricted Subsidiaries are not subject to the suspended covenants for any period of time as a result of the preceding paragraph and, subsequently, the Rating Agency withdraws its ratings or downgrades the ratings assigned to the Notes below the required Investment Grade Ratings or a Default or Event of Default occurs and is continuing, then the Company and the Restricted Subsidiaries will from such time and thereafter again be subject to the suspended covenants, and compliance with the suspended covenants with respect to Restricted Payments made after the time of such withdrawal, downgrade, Default or Event of Default will be calculated in accordance with the terms of the covenant described below under "— Limitation on Restricted Payments" as though such covenant had been in effect during the entire period of time from the Issue Date.

There can be no assurance that the Notes will ever achieve an Investment Grade Rating from one or both Ratings Agencies.

Limitation on Debt. The Company shall not, and shall not permit any Restricted Subsidiary to, Incur, directly or indirectly, any Debt unless, after giving effect to the application of the proceeds thereof, no Default or Event of Default would occur as a consequence of such Incurrence or be continuing following such Incurrence and either:

(1) such Debt is Debt of the Company or a Subsidiary Guarantor and, after giving effect to the Incurrence of such Debt and the application of the proceeds thereof, the Consolidated Interest Coverage Ratio would be greater than 2.00:1.00, or

(2) such Debt is Permitted Debt.

The term "Permitted Debt" is defined to include the following:

(a) (i) Debt of the Company evidenced by the old notes and the new notes issued in exchange for such old notes and in exchange for any Additional Notes and (ii) Debt of the Subsidiary Guarantors evidenced by Subsidiary Guaranties relating to the old notes and the new notes issued in exchange for such old notes and in exchange for any Additional Notes;

(b) Debt of the Company or a Restricted Subsidiary under Credit Facilities, provided that the aggregate principal amount of all such Debt under Credit Facilities at any one time outstanding shall not exceed $2.1 billion, which amount shall be permanently reduced by the amount of Net Available Cash used to Repay Debt under Credit Facilities and not subsequently reinvested in Additional Assets or used to purchase Notes or Repay other Debt, pursuant to the covenant described under "— Limitation on Asset Sales;"

(c) Debt of the Company or a Restricted Subsidiary in respect of Capital Lease Obligations and Purchase Money Debt, provided that:

(1) the aggregate principal amount of such Debt does not exceed the cost of construction, acquisition or improvement of the Property acquired, constructed or leased together with the reasonable costs of acquisition, and

(2) the aggregate principal amount of all Debt Incurred and then outstanding pursuant to this clause (c) (together with all Permitted Refinancing Debt Incurred and then outstanding in respect of

Debt previously Incurred pursuant to this clause (c)) does not exceed 5% of Consolidated Net Tangible Assets;

(d) Debt of the Company owing to and held by any Wholly Owned Restricted Subsidiary and Debt of a Restricted Subsidiary owing to and held by the Company or any Wholly Owned Restricted Subsidiary; *provided*, *however*, that any subsequent issue or transfer of Capital Stock or other event that results in any such Wholly Owned Restricted Subsidiary ceasing to be a Wholly Owned Restricted Subsidiary or any subsequent transfer of any such Debt (except to the Company or a Wholly Owned Restricted Subsidiary) shall be deemed, in each case, to constitute the Incurrence of such Debt by the issuer thereof;

(e) Debt of a Restricted Subsidiary outstanding on the date on which such Restricted Subsidiary is acquired by the Company or otherwise becomes a Restricted Subsidiary (other than Debt Incurred as consideration in, or to provide all or any portion of the funds or credit support utilized to consummate, the transaction or series of transactions pursuant to which such Restricted Subsidiary became a Subsidiary of the Company or was otherwise acquired by the Company), provided that at the time such Restricted Subsidiary is acquired by the Company or otherwise becomes a Restricted Subsidiary and after giving effect to the Incurrence of such Debt, the Company would have been able to Incur $1.00 of additional Debt pursuant to clause (1) of the first paragraph of this covenant;

(f) Debt under Interest Rate Agreements entered into by the Company or a Restricted Subsidiary for the purpose of limiting interest rate risk in the ordinary course of the financial management of the Company or such Restricted Subsidiary and not for speculative purposes, provided that the obligations under such agreements are directly related to payment obligations on Debt otherwise permitted by the terms of this covenant;

(g) Debt under Currency Exchange Protection Agreements entered into by the Company or a Restricted Subsidiary for the purpose of limiting currency exchange rate risks directly related to transactions entered into by the Company or such Restricted Subsidiary in the ordinary course of business and not for speculative purposes;

(h) Debt under Commodity Price Protection Agreements entered into by the Company or a Restricted Subsidiary in the ordinary course of the financial management of the Company or such Restricted Subsidiary and not for speculative purposes;

(i) Debt in connection with one or more standby letters of credit or performance bonds issued by the Company or a Restricted Subsidiary in the ordinary course of business or pursuant to self-insurance obligations and not in connection with the borrowing of money or the obtaining of advances or credit;

(j) Debt Incurred by a Securitization Entity in a Qualified Securitization Transaction that is not recourse to the Company or any Restricted Subsidiary (except for Standard Securitization Undertakings);

(k) Debt of the Company or a Restricted Subsidiary outstanding on the Issue Date not otherwise described in clauses (a) through (j) above (including in such clauses (a) through (j), but not limited to, any Debt Incurred under Credit Facilities prior to the Issue Date), other than Debt Incurred after February 3, 2005 pursuant to Section 4.09(2)(l) of the Existing Indenture;

(l) Debt of the Company or a Restricted Subsidiary in an aggregate principal amount outstanding at any one time not to exceed $150.0 million; and

(m) Permitted Refinancing Debt Incurred in respect of Debt Incurred pursuant to clause (1) of the first paragraph of this covenant and clauses (a), (c) and (k) above.

Notwithstanding anything to the contrary contained in this covenant, accrual of interest, accretion or amortization of original issue discount and the payment of interest or dividends in the form of additional Debt, will be deemed not to be an Incurrence of Debt for purposes of this covenant.

For purposes of determining compliance with this covenant, in the event that an item of Debt meets the criteria of more than one of the categories of Permitted Debt described in clauses (a) through (m) above or is

entitled to be incurred pursuant to clause (l) of the first paragraph of this covenant, the Company shall, in its sole discretion, classify (and may later reclassify in whole or in part, in its sole discretion) such item of Debt in any manner that complies with this covenant; provided, however, that any incurrence of Debt under Credit Facilities prior to the Issue Date shall be treated as having been incurred under clause (b) above.

Limitation on Restricted Payments. The Company shall not make, and shall not permit any Restricted Subsidiary to make, directly or indirectly, any Restricted Payment if at the time of, and after giving effect to, such proposed Restricted Payment,

(a) a Default or Event of Default shall have occurred and be continuing,

(b) the Company could not Incur at least $1.00 of additional Debt pursuant to clause (1) of the first paragraph of the covenant described under "— Limitation on Debt," or

(c) the sum of the aggregate amount of such Restricted Payment and all other Restricted Payments declared or made since February 3, 2005 (the amount of any Restricted Payment, if made other than in cash, to be based upon Fair Market Value at the time of such Restricted Payment) would exceed an amount equal to the sum of:

(1) 50% of the aggregate amount of Consolidated Net Income accrued during the period (treated as one accounting period) from January 1, 2005 to the end of the most recent fiscal quarter for which financial statements have been provided (or if the aggregate amount of Consolidated Net Income for such period shall be a deficit, minus 100% of such deficit), plus

(2) 100% of the Capital Stock Sale Proceeds, plus

(3) the sum of:

(A) the aggregate net cash proceeds received by the Company or any Restricted Subsidiary from the issuance or sale after February 3, 2005 of convertible or exchangeable Debt that has been converted into or exchanged for Capital Stock (other than Disqualified Stock) of the Company, and

(B) the aggregate amount by which Debt (other than Subordinated Debt) of the Company or any Restricted Subsidiary is reduced on the Company's consolidated balance sheet on or after February 3, 2005 upon the conversion or exchange of any Debt issued or sold on or prior to February 3, 2005 that is convertible or exchangeable for Capital Stock (other than Disqualified Stock) of the Company,

excluding, in the case of clause (A) or (B):

(x) any such Debt issued or sold to the Company or a Subsidiary of the Company or an employee stock ownership plan or trust established by the Company or any such Subsidiary for the benefit of their employees, and

(y) the aggregate amount of any cash or other Property distributed by the Company or any Restricted Subsidiary upon any such conversion or exchange, plus

(4) an amount equal to the sum of:

(A) the net reduction in Investments in any Person other than the Company or a Restricted Subsidiary resulting from dividends, repayments of loans or advances or other transfers of Property, in each case to the Company or any Restricted Subsidiary from such Person, and

(B) the portion (proportionate to the Company's equity interest in such Unrestricted Subsidiary) of the Fair Market Value of the net assets of an Unrestricted Subsidiary at the time such Unrestricted Subsidiary is designated a Restricted Subsidiary;

provided, *however*, that the foregoing sum shall not exceed, in the case of any Person, the amount of Investments previously made (and treated as a Restricted Payment) by the Company or any Restricted Subsidiary in such Person.

Notwithstanding the foregoing limitation, the Company may:

(a) pay dividends on its Capital Stock within 60 days of the declaration thereof if, on the declaration date, such dividends could have been paid in compliance with the Indenture; *provided*, *however*, that at the time of such payment of such dividend, no other Default or Event of Default shall have occurred and be continuing (or result therefrom); provided further, however, that such dividend shall be included in the calculation of the amount of Restricted Payments;

(b) purchase, repurchase, redeem, legally defease, acquire or retire for value Capital Stock of the Company or Subordinated Debt in exchange for, or out of the proceeds of the substantially concurrent sale of, Capital Stock of the Company (other than Disqualified Stock and other than Capital Stock issued or sold to a Subsidiary of the Company or an employee stock ownership plan or trust established by the Company or any such Subsidiary for the benefit of their employees); *provided*, *however*, that

(1) such purchase, repurchase, redemption, legal defeasance, acquisition or retirement shall be excluded in the calculation of the amount of Restricted Payments, and

(2) the Capital Stock Sale Proceeds from such exchange or sale shall be excluded from the calculation pursuant to clause (c)(2) above; and

(c) purchase, repurchase, redeem, legally defease, acquire or retire for value any Subordinated Debt in exchange for, or out of the proceeds of the substantially concurrent sale of, Permitted Refinancing Debt; *provided*, *however*, that such purchase, repurchase, redemption, legal defeasance, acquisition or retirement shall be excluded in the calculation of the amount of Restricted Payments;

(d) repurchase shares of, or options to purchase shares of, common stock of the Company or any of its Subsidiaries from current or former officers, directors or employees of the Company or any of its Subsidiaries (or permitted transferees of such current or former officers, directors or employees); *provided*, *however*, that the aggregate amount of such repurchases shall not exceed $10.0 million in any calendar year and such repurchases shall be included in the calculation of the amount of Restricted Payments; and

(e) make other Restricted Payments in an aggregate amount after February 3, 2005 not to exceed $75.0 million.

Limitation on Liens. Prior to the Notes achieving Investment Grade Status and during any period other than a Suspension Period (and during any period that this paragraph shall apply when there is no election by the Company pursuant to the following paragraph), the Company shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, Incur or suffer to exist, any Lien (other than Permitted Liens) upon any of its Property (including Capital Stock of a Restricted Subsidiary), whether owned at the Issue Date or thereafter acquired, or any interest therein or any income or profits therefrom, unless it has made or will make effective provision whereby the Notes or the applicable Subsidiary Guaranty will be secured by such Lien equally and ratably with (or, if such other Debt constitutes Subordinated Debt, prior to) all other Debt of the Company or any Restricted Subsidiary secured by such Lien for so long as such other Debt is secured by such Lien.

After the Notes achieve Investment Grade Status and during any Suspension Period, the Company may elect by written notice to the Trustee and the holders of the Notes to be subject to an alternative covenant with respect to "Limitation on Liens," in lieu of the preceding paragraph. Under this alternative covenant, the Company will not, and will not permit any Restricted Subsidiary to, create, incur, assume or suffer to exist any Lien securing Debt (other than Permitted Liens pursuant to clauses (c) through (j) and (l) (but disregarding the reference to clause (b) therein) through (s) (each inclusive) of the definition of "Permitted Liens") upon (1) any Principal Property of the Company or any Restricted Subsidiary, (2) any Capital Stock of a Restricted Subsidiary or (3) any Indebtedness of a Restricted Subsidiary owed to the Company or another Restricted Subsidiary, unless all payments due under the Indenture and the Notes are secured on an equal and ratable basis with (or prior to) the obligations so secured until such time as such other obligations are no longer secured by such lien. Notwithstanding the foregoing, after the Notes achieve Investment Grade Status and during a Suspension Period, the Company and its Restricted Subsidiaries will be permitted to create, incur,

assume or suffer to exist Liens, and renew, extend or replace such Liens, in each case without complying with the foregoing; provided that the aggregate amount of all Debt of the Company and its Restricted Subsidiaries outstanding at such time that is secured by these Liens (other than (1) Debt secured solely by Permitted Liens pursuant to clauses (c) through (j) and (l) (but disregarding the reference to clause (b) therein) through (s) (each inclusive) of the definition of "Permitted Liens," (2) Debt that is secured equally and ratably with (or on a basis subordinated to) the Notes and (3) the Notes) plus the aggregate amount of all Attributable Debt of the Company and our Restricted Subsidiaries with respect to all Sale and Leaseback Transactions outstanding at such time (other than Sale and Leaseback Transactions permitted by the second paragraph under "— Limitation on Sale and Leaseback Transactions"), would not exceed the greater of 10% of Consolidated Net Tangible Assets, determined based on the consolidated balance sheet of the Company as of the end of the most recent fiscal quarter for which financial statements have been filed or furnished, and $400,000,000.

Limitation on Asset Sales. The Company shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, consummate any Asset Sale unless:

(a) the Company or such Restricted Subsidiary receives consideration at the time of such Asset Sale at least equal to the Fair Market Value of the Property subject to such Asset Sale;

(b) at least 75% of the consideration paid to the Company or such Restricted Subsidiary in connection with such Asset Sale is in the form of any one or a combination of the following: (i) cash, Cash Equivalents or Additional Assets, (ii) the assumption by the purchasers of liabilities of the Company or any Restricted Subsidiary (other than contingent liabilities or liabilities that are by their terms subordinated to the Notes or the applicable Subsidiary Guaranty) as a result of which the Company and the Restricted Subsidiaries are no longer obligated with respect to such liabilities, or (iii) securities, notes or other obligations received by the Company or such Restricted Subsidiary to the extent such securities, notes or other obligations are converted by the Company or such Restricted Subsidiary into cash, Cash Equivalents or Additional Assets within 90 days of such Asset Sale;

(c) no Default or Event of Default would occur as a result of such Asset Sale; and

(d) the Company delivers an Officers' Certificate to the Trustee certifying that such Asset Sale complies with the foregoing clauses (a) and (c).

The Net Available Cash (or any portion thereof, if any) from Asset Sales may be applied by the Company or a Restricted Subsidiary, to the extent the Company or such Restricted Subsidiary elects (or is required by the terms of any Debt):

(a) to Repay Senior Debt of the Company or any Subsidiary Guarantor or Debt of any Restricted Subsidiary that is not a Subsidiary Guarantor (excluding, in any such case, any Debt owed to the Company or an Affiliate of the Company); or

(b) to reinvest in Additional Assets (including by means of an Investment in Additional Assets by a Restricted Subsidiary with Net Available Cash received by the Company or another Restricted Subsidiary).

Any Net Available Cash from an Asset Sale not applied in accordance with the preceding paragraph within 365 days from the date of the receipt of such Net Available Cash or that is not segregated from the general funds of the Company for investment in identified Additional Assets in respect of a project that shall have been commenced and for which binding contractual commitments have been entered into prior to the end of such 365-day period and that shall not have been completed or abandoned, shall constitute "Excess Proceeds"; *provided*, *however*, that the amount of any Net Available Cash that ceases to be so segregated as contemplated above and any Net Available Cash that is segregated in respect of a project that is abandoned or completed shall also constitute "Excess Proceeds" at the time any such Net Available Cash ceases to be so segregated or at the time the relevant project is so abandoned or completed, as applicable; *provided further*, *however*, that the amount of any Net Available Cash that continues to be segregated for investment and that is not actually reinvested within twenty-four months from the date of the receipt of such Net Available Cash shall also constitute "Excess Proceeds."

When the aggregate amount of Excess Proceeds exceeds $25.0 million, the Company will be required to make an offer to repurchase (the "Prepayment Offer") the Notes, which offer shall be in the amount of the Allocable Excess Proceeds (rounded to the nearest $1,000), on a *pro rata* basis according to principal amount (of a minimum $2,000 or any integral multiple of $1,000 in excess thereof) at a purchase price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the repurchase date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), in accordance with the procedures (including prorating in the event of oversubscription) set forth in the Indenture. To the extent that any portion of the amount of Net Available Cash remains after compliance with the preceding sentence and *provided* that all holders of Notes have been given the opportunity to tender their Notes for repurchase in accordance with the Indenture, the Company or such Restricted Subsidiary may use such remaining amount for any purpose permitted by the Indenture, and the amount of Excess Proceeds will be reset to zero.

The term "Allocable Excess Proceeds" shall mean the product of:

(a) the Excess Proceeds; and

(b) a fraction,

(1) the numerator of which is the aggregate principal amount of the Notes outstanding on the date of the Prepayment Offer, and

(2) the denominator of which is the sum of the aggregate principal amount of the Notes outstanding on the date of the Prepayment Offer and the aggregate principal amount of other Debt of the Company outstanding on the date of the Prepayment Offer that is pari passu in right of payment with the Notes and subject to terms and conditions in respect of Asset Sales similar in all material respects to this covenant and requiring the Company to make an offer to repurchase such Debt at substantially the same time as the Prepayment Offer.

Within five business days after the Company is obligated to make a Prepayment Offer as described in the preceding paragraph, the Company shall send a written notice, by first-class mail, to the holders of Notes, accompanied by such information regarding the Company and its Subsidiaries as the Company in good faith believes will enable such holders to make an informed decision with respect to such Prepayment Offer. Such notice shall state, among other things, the purchase price and the repurchase date, which shall be, subject to any contrary requirements of applicable law, a business day no earlier than 30 days nor later than 60 days from the date such notice is mailed.

The Company will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue thereof.

Limitation on Restrictions on Distributions from Restricted Subsidiaries. The Company shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, create or otherwise cause or suffer to exist any consensual restriction on the right of any Restricted Subsidiary to:

(a) pay dividends, in cash or otherwise, or make any other distributions on or in respect of its Capital Stock, or pay any Debt or other obligation owed, to the Company or any other Restricted Subsidiary;

(b) make any loans or advances to the Company or any other Restricted Subsidiary; or

(c) transfer any of its Property to the Company or any other Restricted Subsidiary.

The foregoing limitations will not apply:

(1) to restrictions or encumbrances existing under or by reason of:

(A) agreements in effect on the Issue Date (including, without limitation, restrictions pursuant to the Notes, the Indenture, the Subsidiary Guaranties and the Senior Secured Credit Facilities), and any amendments, modifications, restatements, renewals, replacements, refundings, refinancings, increases or supplements of those agreements, provided that the encumbrances or restrictions contained in any such amendments, modifications, restatements, renewals, replacements, refundings, refinancings, increases or supplements taken as a whole, are not materially more restrictive than the encumbrances or restrictions contained in agreements to which they relate as in place on the date of the Indenture,

(B) Debt or Capital Stock of a Restricted Subsidiary existing at the time it became a Restricted Subsidiary or at the time it merges with or into the Company or a Restricted Subsidiary if such restriction was not created in connection with or in anticipation of the transaction or series of transactions pursuant to which such Restricted Subsidiary became a Restricted Subsidiary or was acquired by the Company, and any amendments, modifications, restatements, renewals, replacements, refundings, refinancings, increases or supplements of those instruments, provided that the encumbrances or restrictions contained in any such amendments, modifications, restatements, renewals, replacements, refundings, refinancings, increases or supplements, taken as a whole, are not materially more restrictive than the encumbrances or restrictions contained in instruments in effect on the date of acquisition,

(C) the Refinancing of Debt Incurred pursuant to an agreement referred to in clause (1)(A) or (B) above or in clause (2)(A) or (B) below, provided such restrictions are not materially less favorable, taken as a whole to the holders of Notes than those under the agreement evidencing the Debt so Refinanced,

(D) any applicable law, rule, regulation or order,

(E) Permitted Refinancing Debt, provided that the restrictions contained in the agreements governing such Permitted Refinancing Debt, taken as a whole, are not materially more restrictive than those contained in the agreements governing the Debt being refinanced,

(F) Liens securing obligations otherwise permitted to be incurred under the provisions of the covenant described above under the caption "— Limitation on Liens" or below under the caption "— Limitation on Sale and Leaseback Transactions" that limit the right of the debtor to dispose of the assets subject to such Liens,

(G) customary provisions limiting or prohibiting the disposition or distribution of assets or property in joint venture agreements, asset sale agreements, Sale and Leaseback Transactions, stock sale agreements and other similar agreements entered into in the ordinary course of business, which limitation or prohibition is applicable only to the assets that are the subject of such agreements,

(H) restrictions on cash or other deposits or net worth imposed by customers or lessors under contracts or leases entered into in the ordinary course of business, or

(I) arising under Debt or other contractual requirements of a Securitization Entity in connection with a Qualified Securitization Transaction; provided that such restrictions apply only to such Securitization Entity, and

(2) with respect to clause (c) only, to restrictions or encumbrances:

(A) relating to Debt that is permitted to be Incurred and secured without also securing the Notes or the applicable Subsidiary Guaranty pursuant to the covenants described under "— Limitation on Debt" and "— Limitation on Liens" that limit the right of the debtor to dispose of the Property securing such Debt,

(B) encumbering Property at the time such Property was acquired by the Company or any Restricted Subsidiary, so long as such restrictions relate solely to the Property so acquired and were not created in connection with or in anticipation of such acquisition,

(C) resulting from customary provisions restricting subletting or assignment of leases or customary provisions in other agreements that restrict assignment of such agreements or rights thereunder,

(D) customary restrictions contained in any asset purchase, stock purchase, merger or other similar agreement, pending the closing of the transaction contemplated thereby, or

(E) customary restrictions contained in joint venture agreements entered into in the ordinary course of business in good faith.

Limitation on Transactions with Affiliates. The Company shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, conduct any business or enter into or suffer to exist any transaction or series of transactions (including the purchase, sale, transfer, assignment, lease, conveyance or exchange of any Property or the rendering of any service) with, or for the benefit of, any Affiliate of the Company (an "Affiliate Transaction"), unless:

(a) the terms of such Affiliate Transaction are no less favorable to the Company or such Restricted Subsidiary, as the case may be, than those that could be obtained in a comparable arm's length transaction with a Person that is not an Affiliate of the Company;

(b) if such Affiliate Transaction involves aggregate payments or value in excess of $20.0 million, the Board of Directors approves such Affiliate Transaction and, in its good faith judgment, believes that such Affiliate Transaction complies with clause (a) of this paragraph as evidenced by a Board Resolution promptly delivered to the Trustee; and

(c) if such Affiliate Transaction involves aggregate payments or value in excess of $50.0 million (1) the Board of Directors (including at least a majority of the disinterested members of the Board of Directors) approves such Affiliate Transaction and, in its good faith judgment, believes that such Affiliate Transaction complies with clause (a) of this paragraph as evidenced by a Board Resolution promptly delivered to the Trustee, or (2) the Company obtains a written opinion from an Independent Financial Advisor to the effect that the consideration to be paid or received in connection with such Affiliate Transaction is fair, from a financial point of view, to the Company and the Restricted Subsidiaries.

Notwithstanding the foregoing limitation, the Company or any Restricted Subsidiary may enter into or suffer to exist the following, which shall not be deemed to be Affiliate Transactions and therefore will not be subject to the provisions of clauses (a), (b) and (c) above of this covenant:

(a) any transaction or series of transactions between the Company and one or more Restricted Subsidiaries or between two or more Restricted Subsidiaries in the ordinary course of business, *provided* that no more than 10% of the total voting power of the Voting Stock (on a fully diluted basis) of any such Restricted Subsidiary is owned by an Affiliate of the Company (other than a Restricted Subsidiary);

(b) any Restricted Payment permitted to be made pursuant to the covenant described under "— Limitation on Restricted Payments" or any Permitted Investment;

(c) any employment, compensation, benefit or indemnification agreement or arrangement (and any payments or other transactions pursuant thereto) entered into by the Company or any Restricted Subsidiary in the ordinary course of business (or that is otherwise reasonable as determined in good faith by the board of directors of the Company or the Restricted Subsidiary, as the case may be) with an officer, employee, consultant or director and any transactions pursuant to stock option plans, stock ownership plans and employee benefit plans or arrangements;

(d) loans and advances to employees made in the ordinary course of business other than any loans or advances that would be in violation of Section 402 of the Sarbanes-Oxley Act; *provided* that the Dollar

Equivalent of the aggregate principal amount of such loans and advances do not exceed $15.0 million in the aggregate at any time outstanding;

(e) any transactions between or among any of the Company, any Restricted Subsidiary and any Securitization Entity in connection with a Qualified Securitization Transaction, in each case *provided* that such transactions are not otherwise prohibited by terms of the Indenture;

(f) agreements in effect on the Issue Date and any amendments, modifications, extensions or renewals thereto that are no less favorable to the Company or any Restricted Subsidiary than such agreements as in effect on the Issue Date;

(g) transactions with a Person that is an Affiliate of the Company solely because the Company or a Restricted Subsidiary owns Capital Stock of and/or controls, such Person;

(h) payment of fees and expenses to directors who are not otherwise employees of the Company or a Restricted Subsidiary, for services provided in such capacity, so long as the Board of Directors or a duly authorized committee thereof shall have approved the terms thereof;

(i) the granting and performance of registration rights for shares of Capital Stock of the Company under a written registration rights agreement approved by the Company's Board of Directors as a duly authorized committee thereof; and

(j) transactions with Affiliates solely in their capacity as holders of Debt or Capital Stock of the Company or any of its Subsidiaries, provided that a significant amount of the Debt or Capital Stock of the same class is also held by persons that are not Affiliates of the Company and those Affiliates are treated no more favorably than holders of the Debt or Capital Stock generally.

Limitation on Sale and Leaseback Transactions. Prior to the Notes achieving Investment Grade Status and during any period other than a Suspension Period, the Company shall not, and shall not permit any Restricted Subsidiary to, enter into any Sale and Leaseback Transaction with respect to any Property unless:

(a) the Company or such Restricted Subsidiary would be entitled to:

(1) Incur Debt in an amount equal to the Attributable Debt with respect to such Sale and Leaseback Transaction pursuant to the covenant described under "— Limitation on Debt," and

(2) create a Lien on such Property securing such Attributable Debt without also securing the Notes or the applicable Subsidiary Guaranty pursuant to the covenant described under "— Limitation on Liens," and

(b) such Sale and Leaseback Transaction is effected in compliance with the covenant described under "— Limitation on Asset Sales."

After the Notes achieve Investment Grade Status or during any Suspension Period, the Company will not, and will not permit any Restricted Subsidiary to, enter into any Sale and Leaseback Transaction involving any Principal Property, except for any Sale and Leaseback Transaction involving a lease not exceeding three years unless:

(1) the Company or that Restricted Subsidiary, as applicable, would at the time of entering into the transaction be entitled to incur Debt secured by a Lien on that Principal Property in an amount equal to the Attributable Debt with respect to such Sale and Leaseback Transaction without equally and ratably securing the Notes; or

(2) an amount equal to the net cash proceeds of the Sale and Leaseback Transaction is applied within 180 days to:

(a) the voluntary retirement or prepayment of any Debt of the Company or any Restricted Subsidiary maturing more than one year after the date incurred, and which is senior to or *pari passu* in right of payment with the Notes, or

(b) the purchase of other property that will constitute Principal Property having a value (as determined in good faith by the Board of Directors) in an amount at least equal to the net cash proceeds of the Sale and Leaseback Transaction; or

(3) within the 180-day period specified in clause (2) above, the Company or that Restricted Subsidiary, as applicable, deliver to the trustee for cancellation Notes in an aggregate principal amount at least equal to the net proceeds of the Sale and Leaseback Transaction.

Notwithstanding the foregoing, after the Notes achieve Investment Grade Status or during any Suspension Period, the Company and any Restricted Subsidiary may enter into Sale and Leaseback Transactions that would not otherwise be permitted under the limitations described in the preceding paragraph, provided that the sum of the aggregate amount of all Debt of the Company and its Restricted Subsidiaries that is secured by Liens (other than (1) Debt secured solely by Permitted Liens pursuant to clauses (c) through (j) and (l) (but disregarding the reference to clause (b) therein) through (s) of the definition of "Permitted Liens," (2) Debt that is secured equally and ratably with (or on a basis subordinated to) the Notes and (3) the Notes) and the aggregate amount of all Attributable Debt of the Company and its Restricted Subsidiaries with respect to all Sale and Leaseback Transactions outstanding at such time (other than Sale and Leaseback Transactions permitted by the preceding paragraph) would not exceed 10% of the Consolidated Net Tangible Assets of the Company and its Restricted Subsidiaries.

Designation of Restricted and Unrestricted Subsidiaries. The Board of Directors may designate any Subsidiary of the Company to be an Unrestricted Subsidiary if:

(a) the Subsidiary to be so designated does not own any Capital Stock or Debt of, or own or hold any Lien on any Property of, the Company or any other Restricted Subsidiary; and

(b) either:

(1) the Subsidiary to be so designated has total assets of $1,000 or less, or

(2) such designation is effective immediately upon such entity becoming a Subsidiary of the Company, or

(3) the Investment by the Company or another Restricted Subsidiary in such Subsidiary is treated as a Restricted Payment under the covenant described under "— Limitation on Restricted Payments" and such Restricted Payment is permitted under such covenant at the time such Investment is made.

Unless so designated as an Unrestricted Subsidiary, any Person that becomes a Subsidiary of the Company will be classified as a Restricted Subsidiary; *provided*, *however*, that such Subsidiary shall not be designated a Restricted Subsidiary and shall be automatically classified as an Unrestricted Subsidiary if either of the requirements set forth in clauses (x) and (y) of the second immediately following paragraph will not be satisfied after giving *pro forma* effect to such classification or if such Person is a Subsidiary of an Unrestricted Subsidiary.

Except as provided in the preceding paragraph, no Restricted Subsidiary may be redesignated as an Unrestricted Subsidiary, and neither the Company nor any Restricted Subsidiary shall at any time be directly or indirectly liable for any Debt that provides that the holder thereof may (with the passage of time or notice or both) declare a default thereon or cause the payment thereof to be accelerated or payable prior to its Stated Maturity upon the occurrence of a default with respect to any Debt, Lien or other obligation of any Unrestricted Subsidiary (including any right to take enforcement action against such Unrestricted Subsidiary). Upon designation of a Restricted Subsidiary as an Unrestricted Subsidiary in compliance with this covenant, such Restricted Subsidiary shall, by execution and delivery of a supplemental indenture in form satisfactory to the Trustee, be released from any Subsidiary Guaranty previously made by such Restricted Subsidiary.

The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary if, immediately after giving *pro forma* effect to such designation,

(x) the Company could Incur at least $1.00 of additional Debt pursuant to clause (1) of the first paragraph of the covenant described under "— Limitation on Debt," and

(y) no Default or Event of Default shall have occurred and be continuing or would result therefrom.

Any such designation or redesignation by the Board of Directors will be evidenced to the Trustee by filing with the Trustee a Board Resolution giving effect to such designation or redesignation and an Officers' Certificate that:

(a) certifies that such designation or redesignation complies with the foregoing provisions, and

(b) gives the effective date of such designation or redesignation,

such filing with the Trustee to occur within 45 days after the end of the fiscal quarter of the Company in which such designation or redesignation is made (or, in the case of a designation or redesignation made during the last fiscal quarter of the Company's fiscal year, within 90 days after the end of such fiscal year).

Future Subsidiary Guarantors. The Company shall cause each Person that becomes (a) a Canadian Restricted Subsidiary or U.S. Restricted Subsidiary or (b) a Restricted Subsidiary that Guarantees Debt in the future under Credit Facilities, provided that the borrower of such Debt is the Company or a Canadian Restricted Subsidiary or U.S. Restricted Subsidiary, in each case following the Issue Date, to execute and deliver to the Trustee a Subsidiary Guaranty at the time such Person becomes a Canadian Restricted Subsidiary or U.S. Restricted Subsidiary or otherwise becomes obligated to become a Subsidiary Guarantor under the Indenture.

Merger, Consolidation and Sale of Property

The Company shall not merge, consolidate or amalgamate with or into any other Person (other than a merger of a Wholly Owned Restricted Subsidiary into the Company) or sell, transfer, assign, lease, convey or otherwise dispose of all or substantially all its Property in any one transaction or series of transactions unless:

(a) the Company shall be the Surviving Person in such merger, consolidation or amalgamation, or the Surviving Person (if other than the Company) formed by such merger, consolidation or amalgamation or to which such sale, transfer, assignment, lease, conveyance or disposition is made shall be a corporation organized and existing under the laws of the United States, any State thereof, the District of Columbia, Canada or any province or territory of Canada;

(b) the Surviving Person (if other than the Company) expressly assumes, by supplemental indenture in form satisfactory to the Trustee, executed and delivered to the Trustee by such Surviving Person, the due and punctual payment of the principal of, and premium, if any, and interest on, all the Notes, according to their tenor, and the due and punctual performance and observance of all the covenants and conditions of the Indenture to be performed by the Company;

(c) in the case of a sale, transfer, assignment, lease, conveyance or other disposition of all or substantially all the Property of the Company, such Property shall have been transferred as an entirety or virtually as an entirety to one Person;

(d) immediately before and after giving effect to such transaction or series of transactions on a *pro forma* basis (and treating, for purposes of this clause (d) and clause (e) below, any Debt that becomes, or is anticipated to become, an obligation of the Surviving Person or any Restricted Subsidiary as a result of such transaction or series of transactions as having been Incurred by the Surviving Person or such Restricted Subsidiary at the time of such transaction or series of transactions), no Default or Event of Default shall have occurred and be continuing;

(e) except in the case of a transaction constituting a Permitted Holdings Amalgamation under the Senior Secured Credit Facilities, immediately after giving effect to such transaction or series of transactions on a pro forma basis, the Company or the Surviving Person, as the case may be, would be able to Incur at least $1.00 of additional Debt under clause (1) of the first paragraph of the covenant described under "— Certain Covenants — Limitation on Debt;"

(f) the Company shall deliver, or cause to be delivered, to the Trustee, in form and substance reasonably satisfactory to the Trustee, an Officers' Certificate and an Opinion of Counsel, each stating that such transaction or series of transactions and the supplemental indenture, if any, in respect thereto comply with this covenant and that all conditions precedent herein provided for relating to such transaction or series of transactions have been satisfied;

(g) the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the holders of the Notes will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of such transaction or series of transactions and will be subject to U.S. Federal income tax on the same amounts, in the same manner and at the same times as would be the case if the transaction or series of transactions had not occurred; and

(h) the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that holders of the Notes will not recognize income, gain or loss for Canadian federal, provincial or territorial income tax purposes as a result of such transaction or series of transactions and will be subject to Canadian federal, provincial or territorial income taxes (including withholding taxes) on the same amounts, in the same manner and at the same times as would be the case if such transaction or series of transactions had not occurred.

The Company shall not permit any Subsidiary Guarantor to merge, consolidate or amalgamate with or into any other Person (other than a merger of a Wholly Owned Restricted Subsidiary into the Company or such Subsidiary Guarantor) or sell, transfer, assign, lease, convey or otherwise dispose of all or substantially all its Property in any one transaction or series of transactions unless:

(a) the Surviving Person (if other than such Subsidiary Guarantor) formed by such merger, consolidation or amalgamation or to which such sale, transfer, assignment, lease, conveyance or disposition is made shall be a corporation, company (including a limited liability company) or partnership organized and existing under the laws of the United States, any State thereof, the District of Columbia or Canada or any province or territory of Canada;

(b) the Surviving Person (if other than such Subsidiary Guarantor) expressly assumes, by supplemental indenture in form satisfactory to the Trustee, executed and delivered to the Trustee by such Surviving Person, the due and punctual performance and observance of all the obligations of such Subsidiary Guarantor under its Subsidiary Guaranty;

(c) in the case of a sale, transfer, assignment, lease, conveyance or other disposition of all or substantially all the Property of such Subsidiary Guarantor, such Property shall have been transferred as an entirety or virtually as an entirety to one Person;

(d) immediately before and after giving effect to such transaction or series of transactions on a pro forma basis (and treating, for purposes of this clause (d) and clause (e) below, any Debt that becomes, or is anticipated to become, an obligation of the Surviving Person, the Company or any Restricted Subsidiary as a result of such transaction or series of transactions as having been Incurred by the Surviving Person, the Company or such Restricted Subsidiary at the time of such transaction or series of transactions), no Default or Event of Default shall have occurred and be continuing;

(e) immediately after giving effect to such transaction or series of transactions on a pro forma basis, the Company would be able to Incur at least $1.00 of additional Debt under clause (1) of the first paragraph of the covenant described under "— Certain Covenants — Limitation on Debt;"

(f) the Company shall deliver, or cause to be delivered, to the Trustee, in form and substance reasonably satisfactory to the Trustee, an Officers' Certificate and an Opinion of Counsel, each stating that such transaction or series of transactions and such Subsidiary Guaranty, if any, in respect thereto comply with this covenant and that all conditions precedent herein provided for relating to such transaction or series of transactions have been satisfied;

(g) the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the holders of the Notes will not recognize income, gain or loss for U.S. Federal income tax purposes as a

result of such transaction or series of transactions and will be subject to U.S. Federal income tax on the same amounts, in the same manner and at the same times as would be the case if such transaction or series of transactions had not occurred; and

(h) the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that holders of the Notes will not recognize income, gain or loss for Canadian federal, provincial or territorial income tax purposes as a result of such transaction or series of transactions and will be subject to Canadian federal, provincial or territorial income taxes (including withholding taxes) on the same amounts, in the same manner and at the same times as would be the case if such transaction or series of transactions had not occurred.

The foregoing provisions of this paragraph (other than clause (d)) shall not apply to any transaction or series of transactions which constitute an Asset Sale if the Company has complied with the covenant described under "— Certain Covenants — Limitation on Asset Sales."

The Surviving Person shall succeed to, and be substituted for, and may exercise every right and power of the Company under the Indenture (or of the Subsidiary Guarantor under the Subsidiary Guaranty, as the case may be), but the predecessor Company in the case of:

(a) a sale, transfer, assignment, conveyance or other disposition (unless such sale, transfer, assignment, conveyance or other disposition is of all the assets of the Company as an entirety or virtually as an entirety), or

(b) a lease,

shall not be released from any of the obligations or covenants under the Indenture, including with respect to the payment of the Notes.

Payments for Consents

The Company will not, and will not permit any of its Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise, to any holder of any Notes for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Notes unless such consideration is offered to be paid or is paid to all holders of the Notes that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement.

SEC Reports

The Company shall provide the Trustee and holders of Notes, within 15 days after it files with, or furnishes to, the SEC, copies of its annual report and of the information, documents and other reports (or copies of such portions of any of the foregoing as the SEC may by rules and regulations prescribe) which the Company is required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act or is required to furnish to the SEC pursuant to the Indenture. Regardless of whether the Company is required to report on an annual and quarterly basis on forms provided for such annual and quarterly reporting pursuant to rules and regulations promulgated by the SEC, the Indenture requires the Company to continue to file with, or furnish to, the SEC and provide the Trustee and holders of Notes:

(a) within 90 days after the end of each fiscal year (or such shorter period as the SEC may in the future prescribe), an annual report containing substantially the same information required to be contained in Form 10-K or Form 20-F (or any successor form) that would be required if the Company were subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act; and

(b) within 45 days after the end of each of the first three fiscal quarters of each fiscal year (or such shorter period as the SEC may in the future prescribe), a quarterly report containing substantially the same information required to be contained in Form 10-Q (or any successor form) that would be required if the Company were organized in the United States and subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act,

provided, *however*, that the Company shall not be so obligated to file any of the foregoing reports with the SEC if the SEC does not permit such filings.

Events of Default

Events of Default in respect of the Notes include:

(1) failure to make the payment of any interest (including Additional Amounts) or Special Interest, if any, on the Notes when the same becomes due and payable, and such failure continues for a period of 30 days;

(2) failure to make the payment of any principal of, or premium, if any, on, any of the Notes when the same becomes due and payable at its Stated Maturity, upon acceleration, redemption, optional redemption, required repurchase or otherwise;

(3) failure to comply with the covenant described under "— Merger, Consolidation and Sale of Property;"

(4) failure to comply with any other covenant or agreement in the Notes or in the Indenture (other than a failure that is the subject of the foregoing clause (1), (2) or (3)), and such failure continues for 60 days after written notice is given to the Company as provided below;

(5) a default under any Debt by the Company or any Restricted Subsidiary that results in acceleration of the maturity of such Debt, or failure to pay any such Debt at maturity, in an aggregate amount greater than $50.0 million (the "cross acceleration provisions");

(6) any judgment or judgments for the payment of money in an aggregate amount in excess of $50.0 million that shall be rendered against the Company or any Restricted Subsidiary and that shall not be waived, satisfied or discharged for any period of 60 consecutive days during which a stay of enforcement shall not be in effect (the "judgment default provisions");

(7) certain events involving bankruptcy, insolvency or reorganization of the Company or any Significant Subsidiary (the "bankruptcy provisions");

(8) any Subsidiary Guaranty ceases to be in full force and effect (other than in accordance with the terms of such Subsidiary Guaranty) or any Subsidiary Guarantor denies or disaffirms its obligations under its Subsidiary Guaranty (the "guaranty provisions"); and

(9) any security interest securing the Notes or any Subsidiary Guaranty that may be granted after the Issue Date pursuant to the terms of the Indenture shall, at any time, (A) cease to be in full force and effect for any reason other than in accordance with its terms or the satisfaction in full of all obligations under the Indenture and discharge of the Indenture or (B) be declared invalid or unenforceable or the Company or any Subsidiary Guarantor shall assert, in any pleading in any court of competent jurisdiction, that any such security interest is invalid or unenforceable (the security default provisions).

A Default under clause (4) is not an Event of Default until the Trustee or the holders of not less than 25% in aggregate principal amount of the Notes then outstanding notify the Company of the Default and the Company does not cure such Default within the time specified after receipt of such notice. Such notice must specify the Default, demand that it be remedied and state that such notice is a "Notice of Default."

The Company shall deliver to the Trustee annually a statement regarding compliance with the Indenture. Upon an Officer becoming aware of any Default or Event of Default, the Company shall deliver to the Trustee, within 10 days of becoming so aware, written notice in the form of an Officers' Certificate specifying such Default or Event of Default, its status, and the action the Company proposes to take with respect thereto.

If an Event of Default with respect to the Notes (other than an Event of Default resulting from certain events involving bankruptcy, insolvency or reorganization with respect to the Company) shall have occurred and be continuing, the Trustee or the registered holders of not less than 25% in aggregate principal amount of the Notes then outstanding may declare to be immediately due and payable the principal amount of all the

Notes then outstanding, plus accrued and unpaid interest, including Special Interest, if any to the date of acceleration. In case an Event of Default resulting from certain events of bankruptcy, insolvency or reorganization with respect to the Company shall occur, such amount with respect to all the Notes shall be due and payable immediately without any declaration or other act on the part of the Trustee or the holders of the Notes. After any such acceleration, but before a judgment or decree based on acceleration is obtained by the Trustee, the registered holders of at least a majority in aggregate principal amount of the Notes then outstanding may, under certain circumstances, rescind and annul such acceleration if all Events of Default, other than the nonpayment of accelerated principal, premium or interest, have been cured or waived as provided in the Indenture.

Subject to the provisions of the Indenture relating to the duties of the Trustee, in case an Event of Default shall occur and be continuing, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request or direction of any of the holders of the Notes, unless such holders shall have offered to the Trustee reasonable indemnity. Subject to such provisions for the indemnification of the Trustee, the holders of at least a majority in aggregate principal amount of the Notes then outstanding will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to the Notes. The holders of a majority in aggregate principal amount of the Notes then outstanding by notice to the Trustee may on behalf of the holders of all of the Notes waive any existing Default or Event of Default and its consequences under the Indenture except a continuing Default or Event of Default: (a) in the payment of the principal or, premium, if any, or interest, including Special Interest, if any, and (b) in respect of a covenant or provision which under the Indenture cannot be modified or amended without the consent of the holder of each Note affected thereby.

No holder of Notes will have any right to institute any proceeding with respect to the Indenture, or for the appointment of a receiver or trustee, or for any remedy thereunder, unless:

(a) such holder has previously given to the Trustee written notice of a continuing Event of Default;

(b) the registered holders of at least 25% in aggregate principal amount of the Notes then outstanding have made a written request and offered reasonable indemnity to the Trustee to institute such proceeding as trustee; and

(c) the Trustee shall not have received from the registered holders of at least a majority in aggregate principal amount of the Notes then outstanding a direction inconsistent with such request and shall have failed to institute such proceeding within 60 days.

However, such limitations do not apply to a suit instituted by a holder of any Note for enforcement of payment of the principal of, and premium, if any, or interest, including Special Interest, if any, on, such Note on or after the respective due dates expressed in such Note.

No Personal Liability of Directors, Officers, Employees and Stockholders

No director, officer, employee, incorporator, stockholder or member of the Company or any Subsidiary or Affiliate of the Company, as such, will have any liability for any obligations under the Notes, the Indenture, the Subsidiary Guaranties, the registration rights agreement, or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

Amendments and Waivers

Subject to certain exceptions, the Company and the Trustee with the consent of the registered holders of at least a majority in aggregate principal amount of the Notes then outstanding (including consents obtained in connection with a tender offer or exchange offer for the Notes) may amend the Indenture and the Notes, and the registered holders of at least a majority in aggregate principal amount of the Notes outstanding may waive any past default or compliance with any provisions of the Indenture and the Notes (except a default in the payment of principal, premium, interest, including Special Interest, if any, and certain covenants and provisions

of the Indenture which cannot be amended without the consent of each holder of an outstanding Note). However, without the consent of each holder of an outstanding Note, no amendment may, among other things,

(1) reduce the principal amount of Notes whose holders must consent to an amendment, supplement or waiver;

(2) reduce the rate of, or extend the time for payment of, interest, including Special Interest, if any, on, any Note;

(3) reduce the principal of, or extend the Stated Maturity of, any Note, or alter the provisions with respect to the redemption of the Notes;

(4) make any Note payable in money other than that stated in the Note;

(5) impair the right of any holder of the Notes to receive payment of principal of, premium, if any, and interest, including Special Interest, if any, on, such holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such holder's Notes or any Subsidiary Guaranty;

(6) waive a Default or Event of Default in the payment of principal of, premium, if any, and interest, including Special Interest, if any, on such Notes (except a rescission of acceleration of such Notes by the holders of at least a majority in aggregate principal amount of the Notes and a waiver of the payment default that resulted from such acceleration);

(7) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of such Notes to receive payments of principal of, or interest or premium or Special Interest, if any, on such Notes;

(8) subordinate the Notes or any Subsidiary Guaranty to any other obligation of the Company or the applicable Subsidiary Guarantor;

(9) release any security interest that may have been granted in favor of the holders of the Notes other than pursuant to the terms of such security interest;

(10) reduce the premium payable upon the redemption of any Note or change the time at which any Note may be redeemed, as described under "— Optional Redemption" and "— Additional Amounts;"

(11) reduce the premium payable upon a Change of Control or, at any time after a Change of Control has occurred, change the time at which the Change of Control Offer relating thereto must be made or at which the Notes must be repurchased pursuant to such Change of Control Offer;

(12) at any time after the Company is obligated to make a Prepayment Offer with the Excess Proceeds from Asset Sales, change the time at which such Prepayment Offer must be made or at which the Notes must be repurchased pursuant thereto;

(13) amend or modify the provisions described under "— Additional Amounts;"

(14) make any change in any Subsidiary Guaranty, that would adversely affect the holders of the Notes; or

(15) make any change in the preceding amendment and waiver provisions.

The Indenture and the Notes may be amended by the Company and the Trustee without the consent of any holder of the Notes to:

(1) cure any ambiguity, omission, defect or inconsistency;

(2) provide for the assumption by a Surviving Person of the obligations of the Company under the Indenture, provided, that the Company delivers to the Trustee:

(A) an Opinion of Counsel to the effect that holders of the Notes will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of such assumption by a successor

corporation and will be subject to U.S. Federal income tax on the same amounts, in the same manner and at the same times as would be the case if such assumption had not occurred, and

(B) an Opinion of Counsel to the effect that holders of the Notes will not recognize income, gain or loss for Canadian federal, provincial or territorial income tax purposes as a result of such assumption by a successor corporation and will be subject to Canadian federal, provincial or territorial income taxes (including withholding taxes) on the same amounts, in the same manner and at the same times as would be the case if such assumption had not occurred;

(3) provide for uncertificated Notes in addition to or in place of certificated Notes (provided that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated Notes are described in Section 163(f)(2)(B) of the Code);

(4) add additional Guarantees with respect to the Notes or release Subsidiary Guarantors from Subsidiary Guaranties as provided or permitted by the terms of the Indenture;

(5) secure the Notes, add to the covenants of the Company for the benefit of the holders of the Notes or surrender any right or power conferred upon the Company;

(6) make any change that does not adversely affect the rights of any holder of the Notes;

(7) comply with any requirement of the SEC in connection with the qualification of the Indenture under the Trust Indenture Act;

(8) evidence or provide for a successor Trustee; or

(9) provide for the issuance of Additional Notes in accordance with the Indenture.

The consent of the holders of the Notes is not necessary to approve the particular form of any proposed amendment, supplement or waiver. It is sufficient if such consent approves the substance of the proposed amendment, supplement or waiver. After an amendment, supplement or waiver becomes effective, the Company is required to mail to each registered holder of the Notes at such holder's address appearing in the Security Register a notice briefly describing such amendment, supplement or waiver. However, the failure to give such notice to all holders of the Notes, or any defect therein, will not impair or affect the validity of the amendment, supplement or waiver.

Defeasance

The Company may, at its option and at any time, terminate all its obligations under the Notes and the Indenture ("legal defeasance"), except for certain obligations, including those respecting the defeasance trust and obligations to register the transfer or exchange of the Notes, to replace mutilated, destroyed, lost or stolen Notes and to maintain a registrar and paying agent in respect of the Notes and to pay Additional Amounts, if any. The Company at any time also may terminate:

(1) its obligations under the covenants described under "— Change of Control Offer" and "— Certain Covenants,"

(2) the operation of the cross acceleration provisions, the judgment default provisions, the bankruptcy provisions with respect to Significant Subsidiaries and the guaranty provisions, in each case described under "— Events of Default" above, and

(3) the limitations contained in clause (e) under the first paragraph of, and in the second paragraph of, "— Merger, Consolidation and Sale of Property" above ("covenant defeasance").

The Company may exercise its legal defeasance option notwithstanding its prior exercise of its covenant defeasance option.

If the Company exercises its legal defeasance option, payment of the Notes may not be accelerated because of an Event of Default with respect thereto. If the Company exercises its covenant defeasance option, payment of the Notes may not be accelerated because of an Event of Default specified in clause (4) (with respect to the

covenants described under "— Certain Covenants"), (5), (6), (7) (with respect only to Significant Subsidiaries), (8) or (9) under "— Events of Default" above or because of the failure of the Company to comply with clause (e) under the first paragraph of, or with the second paragraph of, "— Merger, Consolidation and Sale of Property" above. If the Company exercises its legal defeasance option or its covenant defeasance option, any collateral then securing the Notes will be released and each Subsidiary Guarantor will be released from all its obligations under its Subsidiary Guaranty.

The legal defeasance option or the covenant defeasance option may be exercised only if:

(a) the Company irrevocably deposits in trust with the Trustee money or U.S. Government Obligations for the payment of principal of, premium, if any, and interest, including Special Interest, if any, on the Notes to maturity or redemption, as the case may be;

(b) the Company delivers to the Trustee a certificate from a nationally recognized firm of independent certified public accountants expressing their opinion that the payments of principal, premium, if any, and interest when due and without reinvestment on the deposited U.S. Government Obligations plus any deposited money without investment will provide cash at such times and in such amounts as will be sufficient to pay principal, premium, if any, and interest when due on all the Notes to be defeased to maturity or redemption, as the case may be;

(c) 90 days pass after the deposit is made, and during the 90-day period, no Default described in clause (7) under "— Events of Default" occurs with respect to the Company or any other Person making such deposit which is continuing at the end of the period;

(d) no Default or Event of Default has occurred and is continuing on the date of such deposit and after giving effect thereto;

(e) such deposit does not constitute a default under any other agreement or instrument binding on the Company;

(f) the Company delivers to the Trustee an Opinion of Counsel to the effect that the trust resulting from the deposit does not constitute, or is qualified as, a regulated investment company under the Investment Company Act of 1940;

(g) in the case of the legal defeasance option, the Company delivers to the Trustee an Opinion of Counsel stating that:

(1) the Company has received from the Internal Revenue Service a ruling, or

(2) since the date of the Indenture there has been a change in the applicable Federal income tax law, to the effect, in either case, that, and based thereon such Opinion of Counsel shall confirm that, the holders of the Notes will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of such defeasance and will be subject to U.S. Federal income tax on the same amounts, in the same manner and at the same time as would be the case if such defeasance has not occurred;

(h) in the case of the covenant defeasance option, the Company delivers to the Trustee an Opinion of Counsel to the effect that the holders of the Notes will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of such covenant defeasance and will be subject to U.S. Federal income tax on the same amounts, in the same manner and at the same times as would be the case if such covenant defeasance had not occurred;

(i) the Company delivers to the Trustee an Opinion of Counsel to the effect that holders of the Notes will not recognize income, gain or loss for Canadian federal, provincial or territorial tax purposes as a result of such deposit and defeasance and will be subject to Canadian federal, provincial or territorial taxes (including withholding taxes) on the same amounts, in the same manner and at the same times as would be the case if such deposit and defeasance had not occurred; and

(j) the Company delivers to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent to the defeasance and discharge of the Notes have been complied with as required by the Indenture.

Satisfaction and Discharge

The Company may discharge the Indenture such that it will cease to be of further effect, except as to surviving rights of registration of transfer or exchange of the Notes, as to all outstanding Notes when:

(1) either

(a) all the Notes previously authenticated (except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has previously been deposited in trust or segregated and held in trust by the Company and is thereafter repaid to the Company or discharged from the trust) have been delivered to the Trustee for cancellation; or

(b) all Notes not previously delivered to the Trustee for cancellation

(A) have become due and payable, or

(B) will become due and payable at their maturity within one year, or

(C) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of a redemption by the Trustee, and

in the case of (A), (B) or (C), the Company has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the holders, cash in U.S. dollars, U.S. Government Obligations, or a combination of such cash and U.S. Government Obligations, in such amounts as will be sufficient without consideration of any reinvestment of interest, to pay and discharge the entire Debt on the Notes not previously delivered to the Trustee for cancellation or redemption, for principal, premium, if any, and interest and Special Interest, if any, on the Notes to the date of deposit, in the case of Notes that have become due and payable, or to the Stated Maturity or redemption date, as the case may be;

(2) the Company has paid or caused to be paid all other sums payable by it under the Indenture; and

(3) if required by the Trustee, the Company delivers to the Trustee an Officers' Certificate and Opinion of Counsel stating that all conditions precedent under the Indenture relating to the satisfaction and discharge of the Indenture have been satisfied.

Foreign Currency Equivalents

For purposes of determining compliance with any U.S. dollar-denominated restriction or amount, the U.S. dollar equivalent principal amount of any amount denominated in a foreign currency will be the Dollar Equivalent calculated on the date the Debt was incurred or other transaction was entered into, or first committed, in the case of revolving credit debt, provided that if any Permitted Refinancing Debt is incurred to refinance Debt denominated in a foreign currency, and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated on the date of such refinancing, such U.S. dollar-denominated restriction will be deemed not have been exceeded so long as the principal amount of such Permitted Refinancing Debt does not exceed the principal amount of such Debt being refinanced. Notwithstanding any other provision in the Indenture, no restriction or amount will be exceeded solely as a result of fluctuations in the exchange rate of currencies.

Consent to Jurisdiction and Service of Process

The Company will irrevocably appoint Corporation Service Company as its agent for service of process in any suit, action or proceeding with respect to the Indenture or the Notes brought in any Federal or state court located in New York City and that each of the parties submits to the jurisdiction thereof.

Enforceability of Judgments

Since most of the Company's assets are located outside the United States, any judgment obtained in the United States against it, including judgments with respect to the payment of any principal, premium, interest, including Special Interest, and Additional Amounts may not be collectible within United States.

The laws of the Province of Ontario and the federal laws of Canada applicable therein permit an action to be brought in a court of competent jurisdiction in the Province of Ontario (an "Ontario Court") for the enforcement of the Indenture or the Notes. An Ontario Court would give a judgment based upon a final and conclusive in personam judgment of any federal or state court located in the City of New York (a "New York Court") for a sum certain, obtained against the Company with respect to a claim arising out of the Indenture or the Notes (a "New York Judgment"), without reconsideration of the merits, (A) provided that, (i) an action to enforce the New York Judgment must be commenced in the Ontario Court within any applicable limitation period; (ii) the Ontario Court has discretion to stay or decline to hear an action on the New York Judgment if the New York Judgment is under appeal or there is another subsisting judgment in any jurisdiction relating to the same cause of action as the New York Judgment; (iii) the Ontario Court will render judgment only in Canadian dollars; and (iv) an action in the Ontario Court on the New York Judgment may be affected by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally; and (B) subject to the following defenses, (w) the New York Judgment was obtained by fraud or in a manner contrary to the principles of natural justice; (x) the New York Judgment is for a claim which under Ontario Law would be characterized as based on a foreign revenue, expropriatory, penal law; (y) the New York Judgment is contrary to Ontario public policy; and (z) the New York Judgment has been satisfied or is void or voidable under the internal laws of that foreign jurisdiction.

In addition, under the Currency Act (Canada), a Canadian Court may only render judgment for a sum of money in Canadian currency, and in enforcing a foreign judgment for a sum of money in a foreign currency, a Canadian court will render its decisions in the Canadian currency equivalent of such foreign currency, calculated at the rate of exchange prevailing on the date the judgment became enforceable at the place where it was rendered.

Governing Law

The Indenture and the Notes are governed by the laws of the State of New York.

The Trustee

The Bank of New York Mellon Trust Company, N.A. is the Trustee under the Indenture.

Except during the continuance of an Event of Default, the Trustee will perform only such duties as are specifically set forth in the Indenture. During the existence of an Event of Default, the Trustee will exercise such of the rights and powers vested in it under the Indenture and use the same degree of care and skill in its exercise as a prudent person would exercise under the circumstances in the conduct of such person's own affairs. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any Holder of the Notes, unless such Holder shall have offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

Certain Definitions

Set forth below is a summary of certain of the defined terms used in the Indenture. Reference is made to the Indenture for the full definition of all such terms as well as any other capitalized terms used herein for which no definition is provided. Unless the context otherwise requires, an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP.

"Additional Assets" means:

(a) any Property (other than cash, Cash Equivalents and securities) to be owned by the Company or any Restricted Subsidiary and used in a Related Business; or

(b) Capital Stock of a Person that becomes a Restricted Subsidiary as a result of the acquisition of such Capital Stock by the Company or another Restricted Subsidiary from any Person other than the Company or an Affiliate of the Company; provided, however, that, in the case of clause (b), such Restricted Subsidiary is primarily engaged in a Related Business.

"Affiliate" of any specified Person means:

(a) any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person, or

(b) any other Person who is a director or officer of:

(1) such specified Person,

(2) any Subsidiary of such specified Person, or

(3) any Person described in clause (a) above.

For the purposes of this definition, "control," when used with respect to any Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing. For purposes of the covenants described under "— Certain Covenants — Limitation on Transactions with Affiliates" and "— Limitation on Asset Sales" and the definition of "Additional Assets" only, "Affiliate" shall also mean any beneficial owner of shares representing 10% or more of the total voting power of the Voting Stock (on a fully diluted basis) of the Company and any Person who would be an Affiliate of any such beneficial owner pursuant to the first sentence hereof.

"Alternative Currency" means any lawful currency other than U.S. dollars that is freely transferable into U.S. dollars.

"Approved Member States" means Belgium, France, Germany, Italy, Luxembourg, The Netherlands, Spain, Sweden and the United Kingdom.

"Asset Sale" means any sale, lease, transfer, issuance or other disposition (or series of related sales, leases, transfers, issuances or dispositions) by the Company or any Restricted Subsidiary, including any disposition by means of a merger, consolidation or similar transaction (each referred to for the purposes of this definition as a "disposition"), of the following:

(a) any shares of Capital Stock of a Restricted Subsidiary (other than directors' qualifying shares), or

(b) any other Property of the Company or any Restricted Subsidiary outside of the ordinary course of business of the Company or such Restricted Subsidiary,

other than, in the case of clause (a) or (b) above:

(1) any disposition by a Restricted Subsidiary to the Company or by the Company or a Restricted Subsidiary to a Wholly Owned Restricted Subsidiary,

(2) any disposition that constitutes a Permitted Investment or Restricted Payment permitted by the covenant described under "— Certain Covenants — Limitation on Restricted Payments,"

(3) any disposition effected in compliance with the first or second paragraph of the covenant described under "— Merger, Consolidation and Sale of Property"),

(4) any sale of accounts receivable and related assets (including contract rights) of the type specified in the definition of "Qualified Securitization Transaction" to or by a Securitization Entity for the fair market value thereof,

(5) any sale of assets pursuant to a Sale and Leaseback Transaction, provided that neither the Company nor any Restricted Subsidiary shall, nor shall they permit any of their respective Subsidiaries to, become or remain liable as lessee or guarantor or other surety with respect to any operating lease,

unless the aggregate amount of all rents paid or accrued under all such operating leases does not exceed $25.0 million in any fiscal year;

(6) any sale or disposition of cash or Cash Equivalents;

(7) the granting of Liens not prohibited by the Indenture; and

(8) any disposition in a single transaction or a series of related transactions of assets for aggregate consideration of less than $10.0 million.

"Attributable Debt" in respect of a Sale and Leaseback Transaction means, at any date of determination,

(a) if such Sale and Leaseback Transaction is a Capital Lease Obligation, the amount of Debt represented thereby according to the definition of "Capital Lease Obligations," and

(b) in all other instances, the greater of:

(1) the Fair Market Value of the Property subject to such Sale and Leaseback Transaction, and

(2) the present value (discounted at the interest rate borne by the Senior Notes, compounded annually) of the total obligations of the lessee for rental payments during the remaining term of the lease included in such Sale and Leaseback Transaction (including any period for which such lease has been extended).

"Average Life" means, as of any date of determination, with respect to any Debt or Preferred Stock, the quotient obtained by dividing:

(a) the sum of the product of the numbers of years (rounded to the nearest one-twelfth of one year) from the date of determination to the dates of each successive scheduled principal payment of such Debt or redemption or similar payment with respect to such Preferred Stock multiplied by the amount of such payment by (b) the sum of all such payments.

"Board of Directors" means the board of directors of the Company.

"Board Resolution" of a Person means a copy of a resolution certified by the secretary or an assistant secretary (or individual performing comparable duties) of the applicable Person to have been duly adopted by the board of directors of such Person and to be in full force and effect on the date of such certification.

"Canadian Restricted Subsidiary" means any Restricted Subsidiary that is organized under the laws of Canada or any province thereof.

"Capital Lease Obligations" means any obligation under a lease that is required to be capitalized for financial reporting purposes in accordance with GAAP; and the amount of Debt represented by such obligation shall be the capitalized amount of such obligations determined in accordance with GAAP; and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be terminated by the lessee without payment of a penalty. For purposes of "— Certain Covenants — Limitation on Liens," a Capital Lease Obligation shall be deemed secured by a Lien on the Property being leased.

"Capital Stock" means, with respect to any Person, any shares or other equivalents (however designated) of any class of corporate stock or partnership interests or any other participations, rights, warrants, options or other interests in the nature of an equity interest in such Person, including Preferred Stock, but excluding any debt security convertible or exchangeable into such equity interest.

"Capital Stock Equivalents" means all securities convertible into or exchangeable for Capital Stock and all warrants, options or other rights to purchase or subscribe for any Capital Stock, whether or not presently convertible, exchangeable or exercisable.

"Capital Stock Sale Proceeds" means the aggregate cash proceeds received by the Company from the issuance or sale (other than to a Subsidiary of the Company or an employee stock ownership plan or trust established by the Company or any such Subsidiary for the benefit of their employees) by the Company of its

Capital Stock (other than Disqualified Stock) after February 3, 2005, net of attorneys' fees, accountants' fees, underwriters' or placement agents' fees, discounts or commissions and brokerage, consultant and other fees and expenses actually incurred in connection with such issuance or sale and net of Taxes paid or payable as a result thereof.

"Cash Equivalents" means any of the following:

(a) securities issued or fully guaranteed or insured by the federal government of the United States, Canada, Switzerland, any Approved Member State or any agency of the foregoing maturing within 365 days of the date of acquisition thereof;

(b) time deposit accounts, certificates of deposit, eurocurrency time deposits, overnight bank deposits, money market deposits and bankers' acceptances maturing within 365 days of the date of acquisition thereof and issued by a bank or trust company organized under the laws of Canada or any province thereof, the United States, any state thereof, the District of Columbia, any non-U.S. bank, or its branches or agencies (fully protected against currency fluctuations) that, at the time of acquisition, is rated at least "A-1" by S&P or "P-1" by Moody's (or such similar equivalent rating by at least one "nationally recognized statistical rating organization" (as defined in Rule 436 under the Securities Act)) or the "R-1" category by the Dominion Bond Rating Service Limited and has capital, surplus and undivided profits aggregating in excess of $500 million;

(c) shares of any money market fund that (i) has at least 95% of its assets invested continuously in the types of investments referred to in clauses (a) and (b) above, (ii) has net assets that exceed $500 million and (iii) is rated at least "A-1" by S&P or "P-1" by Moody's;

(d) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (a) entered into with:

(1) a bank meeting the qualifications described in clause (b) above, or

(2) any primary government securities dealer reporting to the Market Reports Division of the Federal Reserve Bank of New York;

(e) commercial paper issued by a corporation (other than an Affiliate of the Company) with a rating at the time as of which any Investment therein is made of "P-1" (or higher) according to Moody's or "A-1" (or higher) according to S&P (or such similar equivalent rating by at least one "nationally recognized statistical rating organization" (as defined in Rule 436 under the Securities Act)) or in the "R-1" category by the Dominion Bond Rating Service Limited; and

(f) direct obligations (or certificates representing an ownership interest in such obligations) of any state of the United States or the District of Columbia or any political subdivision or instrumentality thereof (including any agency or instrumentality thereof) or any province of Canada (including any agency or instrumentality thereof) for the payment of which the full faith and credit of such state or province is pledged and maturing within 365 days of the date of acquisition thereof, *provided* that the long-term debt of such state, province or political subdivision is rated, in the case of a state of the United States, one of the two highest ratings from Moody's or S&P (or such similar equivalent rating by at least one "nationally recognized statistical rating organization" (as defined in Rule 436 under the Securities Act)), or the "R-1" category by the Dominion Bond Rating Service Limited;

provided, *however*, that, to the extent any cash is generated through operations in a jurisdiction outside of the United States, Canada, Switzerland or an Approved Member State, such cash may be retained and invested in obligations of the type described in clauses (a), (b) and (e) of this definition to the extent that such obligations have a credit rating equal to the sovereign rating of such jurisdiction.

"Change of Control" means the occurrence of any of the following events:

(a) any "person" or "group" (as such terms are used in Section 13(d) and 14(d) of the Exchange Act or any successor of the foregoing), including any group acting for the purpose of acquiring, holding, voting or disposing of securities within the meaning of Rule 13d-5(b)(1) under the Exchange Act, other

than a Permitted Holder, becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act, except that a person will be deemed to have "beneficial ownership" of all shares that any such person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of 50% or more of the total voting power of the Voting Stock of the Company (for purposes of this clause (a), such person or group shall be deemed to beneficially own any Voting Stock of a corporation held by any other corporation (the "parent corporation") so long as such person or group beneficially owns, directly or indirectly, in the aggregate at least a majority of the total voting power of the Voting Stock of such parent corporation); or

(b) the sale, transfer, assignment, lease, conveyance or other disposition, directly or indirectly, of all or substantially all the Property of the Company and the Restricted Subsidiaries, considered as a whole (other than a disposition of such Property as an entirety or virtually as an entirety to a Wholly Owned Restricted Subsidiary), shall have occurred, or the Company merges, consolidates or amalgamates with or into any other Person or any other Person merges, consolidates or amalgamates with or into the Company, in any such event pursuant to a transaction in which the outstanding Voting Stock of the Company is reclassified into or exchanged for cash, securities or other Property, other than any such transaction where:

(1) the outstanding Voting Stock of the Company is reclassified into or exchanged for other Voting Stock of the Company or for Voting Stock of the Surviving Person, and

(2) the holders of the Voting Stock of the Company immediately prior to such transaction own, directly or indirectly, not less than a majority of the Voting Stock of the Company or the Surviving Person immediately after such transaction; or

(c) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board of Directors (together with any new directors whose election or appointment by such Board or whose nomination for election by the shareholders of the Company was approved by a vote of not less than three-fourths of the directors then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute at least a majority of the Board of Directors then in office; or

(d) the shareholders of the Company shall have approved any plan of liquidation or dissolution of the Company.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commodity Price Protection Agreement" means, in respect of a Person, any forward contract, commodity swap agreement, commodity option agreement or other similar agreement or arrangement designed to protect such Person against fluctuations in commodity prices.

"Comparable Treasury Issue" means the U.S. treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the Notes that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes. "Independent Investment Banker" means one of the Reference Treasury Dealers appointed by the Trustee after consultation with the Company.

"Comparable Treasury Price" means, with respect to any redemption date:

(a) the average of the bid and ask prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) on the third business day preceding such redemption date, as set forth in the most recently published statistical release designated "H.15(519)" (or any successor release) published by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded U.S. treasury securities adjusted to constant maturity under the caption "Treasury Constant Maturities," or

(b) if such release (or any successor release) is not published or does not contain such prices on such business day, the average of the Reference Treasury Dealer Quotations for such redemption date.

"Consolidated Current Liabilities" means, as of any date of determination, the aggregate amount of liabilities of the Company and its consolidated Restricted Subsidiaries which may properly be classified as current liabilities (including taxes accrued as estimated), after eliminating:

(a) all intercompany items between the Company and any Restricted Subsidiary or between Restricted Subsidiaries, and

(b) all current maturities of long-term Debt.

"Consolidated Interest Coverage Ratio" means, as of any date of determination, the ratio of:

(a) the aggregate amount of EBITDA for the most recent four consecutive fiscal quarters ending at least 45 days prior to such determination date to

(b) Consolidated Interest Expense for such four fiscal quarters;

provided, *however*, that:

(1) if

(A) since the beginning of such period the Company or any Restricted Subsidiary has Incurred any Debt that remains outstanding or Repaid any Debt, or

(B) the transaction giving rise to the need to calculate the Consolidated Interest Coverage Ratio is an Incurrence or Repayment of Debt,

Consolidated Interest Expense for such period shall be calculated after giving effect on a pro forma basis to such Incurrence or Repayment as if such Debt was Incurred or Repaid on the first day of such period, *provided* that, in the event of any such Repayment of Debt, EBITDA for such period shall be calculated as if the Company or such Restricted Subsidiary had not earned any interest income actually earned during such period in respect of the funds used to Repay such Debt, and

(2) if

(A) since the beginning of such period the Company or any Restricted Subsidiary shall have made any Asset Sale or an Investment (by merger or otherwise) in any Restricted Subsidiary (or any Person which becomes a Restricted Subsidiary) or an acquisition of Property which constitutes all or substantially all of an operating unit of a business,

(B) the transaction giving rise to the need to calculate the Consolidated Interest Coverage Ratio is such an Asset Sale, Investment or acquisition, or

(C) since the beginning of such period any Person (that subsequently became a Restricted Subsidiary or was merged with or into the Company or any Restricted Subsidiary since the beginning of such period) shall have made such an Asset Sale, Investment or acquisition,

then EBITDA for such period shall be calculated after giving pro forma effect to such Asset Sale, Investment or acquisition as if such Asset Sale, Investment or acquisition had occurred on the first day of such period.

If any Debt bears a floating rate of interest and is being given pro forma effect, the interest expense on such Debt shall be calculated as if the base interest rate in effect for such floating rate of interest on the date of determination had been the applicable base interest rate for the entire period (taking into account any Interest Rate Agreement applicable to such Debt if such Interest Rate Agreement has a remaining term in excess of 12 months). In the event the Capital Stock of any Restricted Subsidiary is sold during the period, the Company shall be deemed, for purposes of clause (1) above, to have Repaid during such period the Debt of such Restricted Subsidiary to the extent the Company and its continuing Restricted Subsidiaries are no longer liable for such Debt after such sale.

"Consolidated Interest Expense" means, for any period, the total interest expense of the Company and its consolidated Restricted Subsidiaries, plus, to the extent not included in such total interest expense, and to the extent Incurred by the Company or its Restricted Subsidiaries,

(a) interest expense attributable to leases constituting part of a Sale and Leaseback Transaction and to Capital Lease Obligations,

(b) amortization of debt discount and debt issuance cost, including commitment fees,

(c) capitalized interest,

(d) non-cash interest expense,

(e) commissions, discounts and other fees and charges owed with respect to letters of credit and banker's acceptance financing,

(f) net costs associated with Hedging Obligations (including amortization of fees),

(g) Disqualified Stock Dividends,

(h) Preferred Stock Dividends,

(i) interest Incurred in connection with Investments in discontinued operations,

(j) interest accruing on any Debt of any other Person to the extent such Debt is Guaranteed by the Company or any Restricted Subsidiary, and

(k) the cash contributions to any employee stock ownership plan or similar trust to the extent such contributions are used by such plan or trust to pay interest or fees to any Person (other than the Company) in connection with Debt Incurred by such plan or trust.

"Consolidated Net Income" means, for any period, the net income (loss) of the Company and its consolidated Restricted Subsidiaries; provided, however, that there shall not be included in such Consolidated Net Income:

(a) any net income (loss) of any Person (other than the Company) if such Person is not a Restricted Subsidiary, except that:

(1) subject to the exclusion contained in clause (c) below, equity of the Company and its consolidated Restricted Subsidiaries in the net income of any such Person for such period shall be included in such Consolidated Net Income up to the aggregate amount of cash distributed by such Person during such period to the Company or a Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend or other distribution to a Restricted Subsidiary, to the limitations contained in clause (b) below), and

(2) the equity of the Company and its consolidated Restricted Subsidiaries in a net loss of any such Person other than an Unrestricted Subsidiary for such period shall be included in determining such Consolidated Net Income,

(b) any net income (loss) of any Restricted Subsidiary if such Restricted Subsidiary is subject to restrictions, directly or indirectly, on the payment of dividends or the making of distributions, directly or indirectly, to the Company, except that:

(1) subject to the exclusion contained in clause (c) below, the equity of the Company and its consolidated Restricted Subsidiaries in the net income of any such Restricted Subsidiary for such period shall be included in such Consolidated Net Income up to the aggregate amount of cash distributed by such Restricted Subsidiary during such period to the Company or another Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend or other distribution to another Restricted Subsidiary, to the limitation contained in this clause), and

(2) the equity of the Company and its consolidated Restricted Subsidiaries in a net loss of any such Restricted Subsidiary for such period shall be included in determining such Consolidated Net Income,

(c) any gain or loss realized upon the sale or other disposition of any Property of the Company or any of its consolidated Subsidiaries (including pursuant to any Sale and Leaseback Transaction) that is

not sold or otherwise disposed of in the ordinary course of business (provided that sales or other dispositions of assets in connection with any Qualified Securitization Transaction shall be deemed to be in the ordinary course),

(d) any extraordinary gain or loss,

(e) the cumulative effect of a change in accounting principles, and

(f) any non-cash compensation expense realized for grants of performance shares, stock options or other rights to officers, directors and employees of the Company or any Restricted Subsidiary, *provided* that such shares, options or other rights can be redeemed at the option of the holder only for Capital Stock of the Company (other than Disqualified Stock).

Notwithstanding the foregoing, for purposes of the covenant described under "— Certain Covenants — Limitation on Restricted Payments" only, there shall be excluded from Consolidated Net Income any dividends, repayments of loans or advances or other transfers of Property from Unrestricted Subsidiaries to the Company or a Restricted Subsidiary to the extent such dividends, repayments or transfers increase the amount of Restricted Payments permitted under such covenant pursuant to clause (c)(4) thereof.

"Consolidated Net Tangible Assets" means, as of any date of determination, the sum of the amounts that would appear on a consolidated balance sheet of the Company and its consolidated Restricted Subsidiaries as the total assets (less accumulated depreciation and amortization, allowances for doubtful receivables, other applicable reserves and other properly deductible items) of the Company and its Restricted Subsidiaries, after giving effect to purchase accounting and after deducting therefrom Consolidated Current Liabilities and, to the extent otherwise included, the amounts of (without duplication):

(a) the excess of cost over fair market value of assets or businesses acquired;

(b) any revaluation or other write-up in book value of assets subsequent to December 31, 2004 as a result of a change in the method of valuation in accordance with GAAP;

(c) unamortized debt discount and expenses and other unamortized deferred charges, goodwill, patents, trademarks, service marks, trade names, copyrights, licenses, organization or developmental expenses and other intangible items;

(d) minority interests in consolidated Subsidiaries held by Persons other than the Company or any Restricted Subsidiary;

(e) treasury stock;

(f) cash or securities set aside and held in a sinking or other analogous fund established for the purpose of redemption or other retirement of Capital Stock to the extent such obligation is not reflected in Consolidated Current Liabilities; and

(g) Investments in and assets of Unrestricted Subsidiaries.

"Credit Facilities" means, with respect to the Company or any Restricted Subsidiary, one or more debt or commercial paper facilities with banks or other institutional lenders (including the Senior Secured Credit Facilities) or indentures, in each case, providing for revolving credit loans, term loans, receivables or inventory financing (including through the sale of receivables or inventory to such lenders or to special purpose, bankruptcy remote entities formed to borrow from such lenders against such receivables or inventory) or trade letters of credit, in each case together with any Refinancings thereof.

"Currency Exchange Protection Agreement" means, in respect of a Person, any foreign exchange contract, currency swap agreement, currency option or other similar agreement or arrangement designed to protect such Person against fluctuations in currency exchange rates.

"Debt" means, with respect to any Person on any date of determination (without duplication):

(a) the principal of and premium (if any) in respect of:

(1) debt of such Person for money borrowed, and

(2) debt evidenced by notes, debentures, bonds or other similar instruments for the payment of which such Person is responsible or liable;

(b) all Capital Lease Obligations of such Person and all Attributable Debt in respect of Sale and Leaseback Transactions entered into by such Person;

(c) all obligations of such Person representing the deferred purchase price of Property, all conditional sale obligations of such Person and all obligations of such Person under any title retention agreement (but excluding trade accounts payable arising in the ordinary course of business);

(d) all obligations of such Person for the reimbursement of any obligor on any letter of credit, banker's acceptance or similar credit transaction (other than obligations with respect to letters of credit securing obligations (other than obligations described in (a) through (c) above) entered into in the ordinary course of business of such Person to the extent such letters of credit are not drawn upon or, if and to the extent drawn upon, such drawing is reimbursed no later than the third business day following receipt by such Person of a demand for reimbursement following payment on the letter of credit);

(e) the amount of all obligations of such Person with respect to the Repayment of any Disqualified Stock or, with respect to any Subsidiary of such Person, any Preferred Stock (but excluding, in each case, any accrued dividends);

(f) all obligations of the type referred to in clauses (a) through (e) above of other Persons and all dividends of other Persons for the payment of which, in either case, such Person is responsible or liable, directly or indirectly, as obligor, guarantor or otherwise, including by means of any Guarantee;

(g) all obligations of the type referred to in clauses (a) through (f) above of other Persons secured by any Lien on any Property of such Person (whether or not such obligation is assumed by such Person), the amount of such obligation being deemed to be the lesser of the Fair Market Value of such Property and the amount of the obligation so secured; and

(h) to the extent not otherwise included in this definition, Hedging Obligations of such Person.

The amount of Debt of any Person at any date shall be the outstanding balance, or the accreted value of such Debt in the case of Debt issued with original issue discount, at such date of all unconditional obligations as described above and the maximum liability, upon the occurrence of the contingency giving rise to the obligation, of any contingent obligations at such date. The amount of Debt represented by a Hedging Obligation shall be equal to:

(1) zero if such Hedging Obligation has been Incurred pursuant to clause (f), (g) or (h) of the second paragraph of the covenant described under "— Certain Covenants — Limitation on Debt," or

(2) the notional amount of such Hedging Obligation if not Incurred pursuant to such clauses.

"Default" means any event which is, or after notice or passage of time or both would be, an Event of Default.

"Disqualified Stock" means any Capital Stock of the Company or any of its Restricted Subsidiaries that by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable, in either case at the option of the holder thereof) or otherwise:

(a) matures or is mandatorily redeemable pursuant to a sinking fund obligation or otherwise,

(b) is or may become redeemable or repurchaseable at the option of the holder thereof, in whole or in part, or

(c) is convertible or exchangeable at the option of the holder thereof for Debt or Disqualified Stock, on or prior to, in the case of clause (a), (b) or (c), the first anniversary of the Stated Maturity of the Notes.

"Disqualified Stock Dividends" means all dividends with respect to Disqualified Stock of the Company held by Persons other than a Wholly Owned Restricted Subsidiary. The amount of any such dividend shall be equal to the quotient of such dividend divided by the difference between one and the maximum statutory federal income tax rate (expressed as a decimal number between 1 and 0) then applicable to the Company.

"Dollar Equivalent" of any amount means, at the time of determination thereof, (a) if such amount is expressed in U.S. dollars, such amount, (b) if such amount is expressed in an Alternative Currency, the equivalent of such amount in U.S. dollars determined by using the rate of exchange quoted by Credit Suisse Securities (USA) LLC in New York, New York at 11:00 a.m. (New York time) on the date of determination (or, if such date is not a Business Day, the last Business Day prior thereto) to prime banks in New York for the spot purchase in the New York currency exchange market of such amount of U.S. dollars with such Alternative Currency and (c) if such amount is denominated in any other currency, the equivalent of such amount in U.S. dollars as determined by the Trustee using any method of determination it deems appropriate.

"EBITDA" means, for any period, an amount equal to, for the Company and its consolidated Restricted Subsidiaries:

(a) the sum of Consolidated Net Income for such period, plus

(1) any provision for taxes based on income or profits,

(2) Consolidated Interest Expense,

(3) loss from extraordinary items,

(4) depreciation, depletion and amortization expenses,

(5) all other non-cash expenses, charges and losses that are not payable in cash in any subsequent period, and

(6) non-recurring cash restructuring expenses, charges and losses, minus

(b) the sum of, in each case to the extent included in the calculation of such Consolidated Net Income for such period, but without duplication, (i) any credit for income tax, (ii) interest income, (iii) gains from extraordinary items, (iv) any aggregate net gain (but not any aggregate net loss) from the sale, exchange or other disposition of capital assets and (v) any other non-cash gains or other items which have been added in determining Consolidated Net Income, including any reversal of a change referred to in clause (5) above by reason of a decrease in the value of any Capital Stock or Capital Stock Equivalent.

Notwithstanding the foregoing clause (a), the provision for taxes and the depreciation, amortization and non-cash items of a Restricted Subsidiary shall be added to Consolidated Net Income to compute EBITDA only to the extent (and in the same proportion) that the net income of such Restricted Subsidiary was included in calculating Consolidated Net Income and only if a corresponding amount would be permitted at the date of determination to be dividended to the Company by such Restricted Subsidiary without prior approval (that has not been obtained), pursuant to the terms of its charter and all agreements, instruments, judgments, decrees, orders, statutes, rules and governmental regulations applicable to such Restricted Subsidiary or its shareholders.

"Event of Default" has the meaning set forth under "— Events of Default."

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Existing Indenture" means the Indenture relating to the Senior Notes, dated as of February 3, 2005, between the Company, the guarantors parties thereto and The Bank of New York Mellon Trust Company, N.A., as trustee, as amended from time to time.

"Fair Market Value" means, with respect to any Property, the price that could be negotiated in an arm's-length free market transaction, for cash, between a willing seller and a willing buyer, neither of whom is under undue pressure or compulsion to complete the transaction. Fair Market Value shall be determined, except as otherwise provided,

(a) if such Property has a Fair Market Value equal to or less than $50.0 million, by any Officer of the Company, or

(b) if such Property has a Fair Market Value in excess of $50.0 million, by at least a majority of the Board of Directors and evidenced by a Board Resolution, dated within 45 days of the relevant transaction, delivered to the Trustee.

"GAAP" means U.S. generally accepted accounting principles as in effect on February 3, 2005, including those set forth in:

(a) the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants,

(b) the statements and pronouncements of the Financial Accounting Standards Board,

(c) such other statements by such other entity as approved by a significant segment of the accounting profession, and

(d) the rules and regulations of the SEC governing the inclusion of financial statements (including pro forma financial statements) in periodic reports required to be filed pursuant to Section 13 of the Exchange Act, including opinions and pronouncements in staff accounting bulletins and similar written statements from the accounting staff of the SEC.

"Guarantee" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Debt of any other Person and any obligation, direct or indirect, contingent or otherwise, of such Person:

(a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt of such other Person (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take-or-pay or to maintain financial statement conditions or otherwise), or

(b) entered into for the purpose of assuring in any other manner the obligee against loss in respect thereof (in whole or in part);

provided, *however*, that the term "Guarantee" shall not include:

(1) endorsements for collection or deposit in the ordinary course of business, or

(2) a contractual commitment by one Person to invest in another Person for so long as such Investment is reasonably expected to constitute a Permitted Investment under clause (a), (b) or (c) of the definition of "Permitted Investment."

The term "Guarantee" used as a verb has a corresponding meaning. The term "Guarantor" shall mean any Person Guaranteeing any obligation.

"Hedging Obligation" of any Person means any obligation of such Person pursuant to any Interest Rate Agreement, Currency Exchange Protection Agreement, Commodity Price Protection Agreement or any other similar agreement or arrangement.

"holder" means a Person in whose name a Note is registered in the Security Register.

"Incur" means, with respect to any Debt or other obligation of any Person, to create, issue, incur (by merger, conversion, exchange or otherwise), extend, assume, Guarantee or become liable in respect of such Debt or other obligation or the recording, as required pursuant to GAAP or otherwise, of any such Debt or obligation on the balance sheet of such Person (and "Incurrence" and "Incurred" shall have meanings

correlative to the foregoing); provided, however, that a change in GAAP that results in an obligation of such Person that exists at such time, and is not theretofore classified as Debt, becoming Debt shall not be deemed an Incurrence of such Debt; provided further, however, that any Debt or other obligations of a Person existing at the time such Person becomes a Subsidiary (whether by merger, consolidation, acquisition or otherwise) shall be deemed to be Incurred by such Subsidiary at the time it becomes a Subsidiary; and provided further, however, that solely for purposes of determining compliance with "— Certain Covenants — Limitation on Debt," amortization of debt discount shall not be deemed to be the Incurrence of Debt, provided that in the case of Debt sold at a discount, the amount of such Debt Incurred shall at all times be the aggregate principal amount at Stated Maturity.

"Independent Financial Advisor" means an investment banking firm of national standing or any third party appraiser of national standing, provided that such firm or appraiser is not an Affiliate of the Company.

"Interest Rate Agreement" means, for any Person, any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement or other similar agreement designed to protect against fluctuations in interest rates.

"Investment" by any Person means any direct or indirect loan (other than advances to customers in the ordinary course of business that are recorded as accounts receivable on the balance sheet of such Person), advance or other extension of credit or capital contribution (by means of transfers of cash or other Property to others or payments for Property or services for the account or use of others, or otherwise) to, or Incurrence of a Guarantee of any obligation of, or purchase or acquisition of Capital Stock, bonds, notes, debentures or other securities or evidence of Debt issued by, any other Person. For purposes of the covenants described under "— Certain Covenants — Limitation on Restricted Payments" and "— Designation of Restricted and Unrestricted Subsidiaries" and the definition of "Restricted Payment," the term "Investment" shall include the portion (proportionate to the Company's equity interest in such Subsidiary) of the Fair Market Value of the net assets of any Subsidiary of the Company at the time that such Subsidiary is designated an Unrestricted Subsidiary; provided, however, that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Company shall be deemed to continue to have a permanent "Investment" in an Unrestricted Subsidiary of an amount (if positive) equal to:

(a) the Company's "Investment" in such Subsidiary at the time of such redesignation, less

(b) the portion (proportionate to the Company's equity interest in such Subsidiary) of the Fair Market Value of the net assets of such Subsidiary at the time of such redesignation.

In determining the amount of any Investment made by transfer of any Property other than cash, such Property shall be valued at its Fair Market Value at the time of such Investment.

"Investment Grade Rating" means a rating equal to or higher than Baa3 (or the equivalent) by Moody's and BBB- (or the equivalent) by S&P.

"Investment Grade Status" shall be deemed to have been reached on the date that the Notes have an Investment Grade Rating from both Rating Agencies.

"Issue Date" means the date on which the old notes were issued pursuant to the Indenture.

"Lien" means, with respect to any Property of any Person, any mortgage or deed of trust, pledge, hypothecation, assignment, deposit arrangement, security interest, lien, charge, easement (other than any easement not materially impairing usefulness or marketability), encumbrance, preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever on or with respect to such Property (including any Capital Lease Obligation, conditional sale or other title retention agreement having substantially the same economic effect as any of the foregoing or any Sale and Leaseback Transaction).

"Moody's" means Moody's Investors Service, Inc. or any successor to the rating agency business thereof.

"Net Available Cash" from any Asset Sale means cash payments received therefrom (including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise, but only as and when received, but excluding any other consideration received in the form of

assumption by the acquiring Person of Debt or other obligations relating to the Property that is the subject of such Asset Sale or received in any other non-cash form), in each case net of:

(a) all legal, title and recording tax expenses, commissions and other fees and expenses incurred, and all Federal, state, provincial, foreign and local taxes required to be accrued as a liability under GAAP, as a consequence of such Asset Sale,

(b) all payments made on or in respect of any Debt that is secured by any Property subject to such Asset Sale, in accordance with the terms of any Lien upon such Property, or which must by its terms, or in order to obtain a necessary consent to such Asset Sale, or by applicable law, be repaid out of the proceeds from such Asset Sale,

(c) all distributions and other payments required to be made to minority interest holders in Subsidiaries or joint ventures as a result of such Asset Sale, and

(d) the deduction of appropriate amounts provided by the seller as a reserve, in accordance with GAAP, against any liabilities associated with the Property disposed of in such Asset Sale and retained by the Company or any Restricted Subsidiary after such Asset Sale.

"Obligations" means all obligations for principal, premium, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Debt.

"Officer" means the Chief Executive Officer, the President, the Chief Financial Officer or any other executive officer of the Company.

"Officers' Certificate" means a certificate, in form and substance reasonably satisfactory to the Trustee, signed by two Officers of the Company, at least one of whom shall be the principal executive officer or principal financial officer of the Company, and delivered to the Trustee.

"Opinion of Counsel" means a written opinion from legal counsel who is reasonably acceptable to the Trustee. The counsel may be an employee of or counsel to the Company or the Trustee.

"Permitted Holder" means Hindalco Industries Ltd. and any Affiliate and Related Person thereof. Any person or group whose acquisition of beneficial ownership constitutes a Change of Control in respect of which a Change of Control Offer is made in accordance with the requirements of the Indenture (or would result in a Change of Control Offer in the absence of the waiver of such requirement by holders in accordance with the Indenture) will thereafter, together with any of its Affiliates and Related Persons, constitute additional Permitted Holders.

"Permitted Investment" means any Investment by the Company or a Restricted Subsidiary in:

(a) the Company or any Restricted Subsidiary;

(b) any Person that will, upon the making of such Investment, become a Restricted Subsidiary;

(c) any Person if as a result of such Investment such Person is merged or consolidated with or into, or transfers or conveys all or substantially all its Property to, the Company or a Restricted Subsidiary;

(d) Cash Equivalents;

(e) receivables owing to the Company or a Restricted Subsidiary, if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms; *provided*, *however*, that such trade terms may include such concessionary trade terms as the Company or such Restricted Subsidiary deems reasonable under the circumstances;

(f) payroll, travel and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses for accounting purposes and that are made in the ordinary course of business;

(g) loans and advances to employees made in the ordinary course of business consistent with past practices of the Company or such Restricted Subsidiary, as the case may be, provided that such loans and advances do not exceed $15.0 million in the aggregate at any one time outstanding;

(h) stock, obligations or other securities received in settlement of debts created in the ordinary course of business and owing to the Company or a Restricted Subsidiary or in satisfaction of judgments;

(i) any Person to the extent such Investment represents the non-cash portion of the consideration received in connection with (A) an Asset Sale consummated in compliance with the covenant described under "— Certain Covenants — Limitation on Asset Sales," or (B) any disposition of Property not constituting an Asset Sale;

(j) any Persons made for Fair Market Value that do not exceed 5% of Consolidated Net Tangible Assets in the aggregate outstanding at any one time;

(k) a Securitization Entity or any Investment by a Securitization Entity in any other Person in connection with a Qualified Securitization Transaction provided that any Investment in a Securitization Entity is in the form of a Purchase Money Note, contribution of additional receivables and related assets or any equity interests; and

(l) other Investments made for Fair Market Value that do not exceed $20.0 million in the aggregate outstanding at any one time.

"Permitted Liens" means:

(a) Liens to secure Debt permitted to be Incurred under clause (b) of the second paragraph of the covenant described under "— Certain Covenants — Limitation on Debt";

(b) Liens to secure Debt permitted to be Incurred under clause (c) of the second paragraph of the covenant described under "— Certain Covenants — Limitation on Debt," provided that any such Lien may not extend to any Property of the Company or any Restricted Subsidiary, other than the Property acquired, constructed or leased with the proceeds of such Debt and any improvements or accessions to such Property;

(c) Liens for taxes, assessments or governmental charges or levies on the Property of the Company or any Restricted Subsidiary if the same shall not at the time be delinquent or thereafter can be paid without penalty, or are being contested in good faith and by appropriate proceedings timely instituted and diligently pursued, provided that any reserve or other appropriate provision that shall be required in accordance with GAAP shall have been established with respect thereto;

(d) Deposit account banks' rights of set-off, Liens of landlords arising by statute, Liens imposed by law, such as carriers', warehousemen's and mechanics' Liens and other similar Liens, on the Property of the Company or any Restricted Subsidiary arising in the ordinary course of business and securing payment of obligations that are not more than 60 days past due or are being contested in good faith and by appropriate proceedings;

(e) Liens on the Property of the Company or any Restricted Subsidiary Incurred in the ordinary course of business to secure performance of obligations with respect to statutory or regulatory requirements, performance or return-of-money bonds, surety bonds or other obligations of a like nature and Incurred in a manner consistent with industry practice, in each case which are not Incurred in connection with the borrowing of money, the obtaining of advances or credit or the payment of the deferred purchase price of Property and which do not in the aggregate impair in any material respect the

use of Property in the operation of the business of the Company and the Restricted Subsidiaries taken as a whole;

(f) Liens on Property at the time the Company or any Restricted Subsidiary acquired such Property, including any acquisition by means of a merger or consolidation with or into the Company or any Restricted Subsidiary; provided, however, that any such Lien may not extend to any other Property of the Company or any Restricted Subsidiary; provided further, however, that such Liens shall not have been Incurred in anticipation of or in connection with the transaction or series of transactions pursuant to which such Property was acquired by the Company or any Restricted Subsidiary;

(g) Liens on the Property of a Person at the time such Person becomes a Restricted Subsidiary; *provided*, *however*, that any such Lien may not extend to any other Property of the Company or any other Restricted Subsidiary that is not a direct Subsidiary of such Person; provided further, however, that any such Lien was not Incurred in anticipation of or in connection with the transaction or series of transactions pursuant to which such Person became a Restricted Subsidiary;

(h) pledges or deposits by the Company or any Restricted Subsidiary under workers' compensation laws, unemployment insurance laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Debt) or leases to which the Company or any Restricted Subsidiary is party, or deposits to secure public or statutory obligations of the Company, or deposits for the payment of rent, in each case Incurred in the ordinary course of business;

(i) utility easements, building restrictions and such other encumbrances or charges against real Property as are of a nature generally existing with respect to properties of a similar character;

(j) Liens existing on the Issue Date not otherwise described in clauses (a) through (i) above, other than Liens created after February 3, 2005 that were permitted liens pursuant to clause (t) of the definition of "Permitted Liens" set forth in the Existing Indenture;

(k) Liens not otherwise described in clauses (a) through (j) above on the Property of any Restricted Subsidiary that is not a Subsidiary Guarantor to secure any Debt permitted to be Incurred by such Restricted Subsidiary pursuant to the covenant described under "— Certain Covenants — Limitation on Debt";

(l) Liens on the Property of the Company or any Restricted Subsidiary to secure any Refinancing, in whole or in part, of any Debt secured by Liens referred to in clause (b), (f), (g), or (j) above; provided, however, that any such Lien shall be limited to all or part of the same Property that secured the original Lien (together with improvements and accessions to such Property), and the aggregate principal amount of Debt that is secured by such Lien shall not be increased to an amount greater than the sum of:

(1) the outstanding principal amount, or, if greater, the committed amount, of the Debt secured by Liens described under clause (b), (f), (g) or (j) above, as the case may be, at the time the original Lien became a Permitted Lien under the Indenture, and

(2) an amount necessary to pay any fees and expenses, including premiums and defeasance costs, incurred by the Company or such Restricted Subsidiary in connection with such Refinancing;

(m) Liens on accounts receivable and related assets (including contract rights) of the type specified in the definition of "Qualified Securitization Transaction" transferred to a Securitization Entity in a Qualified Securitization Transaction;

(n) encumbrances arising by reason of zoning restrictions, easements, licenses, reservations, covenants, rights-of-way, utility easements, building restrictions and other similar encumbrances on the use of real property not materially detracting from the value of such real property or not materially interfering with the ordinary conduct of the business conducted and proposed to be conducted at such real property;

(o) encumbrances arising under leases or subleases of real property that do not, in the aggregate, materially detract from the value of such real property or interfere with the ordinary conduct of the business conducted and proposed to be conducted at such real property;

(p) financing statements with respect to a lessor's rights in and to personal property leased to such Person in the ordinary course of such Person's business other than through a Capital Lease;

(q) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;

(r) licenses of patents, trademarks and other intellectual property rights granted in the ordinary course of business and not interfering in any respect with the ordinary conduct of such Person's business;

(s) Liens arising out of conditional sale, retention, consignment or similar arrangement, incurred in the ordinary course of business, for the sale of goods; and

(t) Liens not otherwise permitted by clauses (a) through (s) above encumbering Property having an aggregate Fair Market Value not in excess of 5% of Consolidated Net Tangible Assets, as determined based on the consolidated balance sheet of the Company as of the end of the most recent fiscal quarter for which financial statements have been filed or furnished.

"Permitted Refinancing Debt" means any Debt that Refinances any other Debt, including any successive Refinancings, so long as:

(a) such Debt is in an aggregate principal amount (or if Incurred with original issue discount, an aggregate issue price) not in excess of the sum of:

(1) the aggregate principal amount (or if Incurred with original issue discount, the aggregate accreted value) then outstanding of the Debt being Refinanced, and

(2) an amount necessary to pay any fees and expenses, including premiums and defeasance costs, related to such Refinancing,

(b) the Average Life of such Debt is equal to or greater than the Average Life of the Debt being Refinanced,

(c) the Stated Maturity of such Debt is no earlier than the Stated Maturity of the Debt being Refinanced, and

(d) the new Debt shall not be senior in right of payment to the Debt that is being Refinanced;

provided, *however*, that Permitted Refinancing Debt shall not include:

(x) Debt of a Subsidiary that is not a Subsidiary Guarantor that Refinances Debt of the Company or a Subsidiary Guarantor, or

(y) Debt of the Company or a Restricted Subsidiary that Refinances Debt of an Unrestricted Subsidiary.

"Person" means any individual, corporation, company (including any limited liability company), association, partnership, joint venture, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"Preferred Stock" means any Capital Stock of a Person, however designated, which entitles the holder thereof to a preference with respect to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of any other class of Capital Stock issued by such Person.

"Preferred Stock Dividends" means all dividends with respect to Preferred Stock of Restricted Subsidiaries held by Persons other than the Company or a Wholly Owned Restricted Subsidiary. The amount of any such dividend shall be equal to the quotient of such dividend divided by the difference between one and the maximum statutory federal income rate (expressed as a decimal number between 1 and 0) then applicable to the issuer of such Preferred Stock.

"Principal Property" means any manufacturing plant or facility owned by the Company and/or one or more Restricted Subsidiaries having a gross book value in excess of 1.5% of the Consolidated Net Tangible Assets of the Company and its Restricted Subsidiaries.

"pro forma" means, with respect to any calculation made or required to be made pursuant to the terms hereof, a calculation performed in accordance with Article 11 of Regulation S-X promulgated under the Securities Act, as interpreted in good faith by the Board of Directors after consultation with the independent certified public accountants of the Company, or otherwise a calculation made in good faith by the Board of Directors after consultation with the independent certified public accountants of the Company, as the case may be.

"Property" means, with respect to any Person, any interest of such Person in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, including Capital Stock in, and other securities of, any other Person. For purposes of any calculation required pursuant to the Indenture, the value of any Property shall be its Fair Market Value.

"Public Equity Offering" means an underwritten public offering of common stock of the Company pursuant to an effective registration statement under the Securities Act.

"Purchase Money Debt" means Debt:

(a) consisting of the deferred purchase price of Property, conditional sale obligations, obligations under any title retention agreement, other purchase money obligations and obligations in respect of industrial revenue bonds, in each case where the maturity of such Debt does not exceed the anticipated useful life of the Property being financed, and

(b) Incurred to finance the acquisition, construction or lease by the Company or a Restricted Subsidiary of such Property, including additions and improvements thereto;

provided, *however*, that such Debt is Incurred within 180 days after the acquisition, construction or lease of such Property by the Company or such Restricted Subsidiary.

"Purchase Money Note" means a promissory note evidencing a line of credit, or evidencing other Debt owed to the Company or any Restricted Subsidiary in connection with a Qualified Securitization Transaction, which note shall be repaid from cash available to the maker of such note, other than amounts required to be established as reserves, amounts paid to investors in respect of interest, principal and other amounts owing to such investors and amounts paid in connection with the purchase of newly generated accounts receivable.

"Qualified Securitization Transaction" means any transaction or series of transactions that may be entered into by the Company or any Restricted Subsidiary pursuant to which the Company or any Restricted Subsidiary may sell, convey or otherwise transfer pursuant to customary terms to (a) a Securitization Entity (in the case of a transfer by the Company or any Restricted Subsidiary) and (b) any other Person (in the case of transfer by a Securitization Entity), or may grant a security interest in any accounts receivable (whether now existing or arising or acquired in the future) of the Company or any Restricted Subsidiary, and any assets related thereto including all collateral securing such accounts receivable, all contracts and contract rights and all guarantees or other obligations in respect of such accounts receivable, proceeds of such accounts receivable and other assets (including contract rights) which are customarily transferred or in respect of which security interests are customarily granted in connection with asset securitization transactions involving accounts receivable.

"Rating Agencies" means Moody's and S&P.

"Reference Treasury Dealer" means Credit Suisse Securities (USA) LLC, Morgan Stanley & Co. Incorporated, RBS Securities Inc. and their successors and any other primary U.S. Government securities dealer or dealers in New York City (a "Primary Treasury Dealer") selected by the Company; *provided, however*, that if any of the foregoing cease to be a Primary Treasury Dealer, the Company shall substitute therefor another Primary Treasury Dealer.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Trustee, of the bid and ask prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Trustee by such Reference Treasury Dealer at 5:00 p.m. on the third business day preceding such redemption date.

"Refinance" means, in respect of any Debt, to refinance, extend, renew, refund or Repay, or to issue other Debt, in exchange or replacement for, such Debt. "Refinanced" and "Refinancing" shall have correlative meanings.

"Related Business" means any business that is related, ancillary or complementary to the businesses of the Company and the Restricted Subsidiaries on the Issue Date.

"Related Person" with respect to any Permitted Holder means:

(a) any controlling stockholder or a majority (or more) owned Subsidiary of such Permitted Holder or, in the case of an individual, any spouse or immediate family member of such Permitted Holder, any trust created for the benefit of such individual or such individual's estate, executor, administrator, committee or beneficiaries; or

(b) any trust, corporation, partnership or other entity, the beneficiaries, stockholders, partners, owners or Persons beneficially holding a majority (or more) controlling interest of which consist of such Permitted Holder and/or such other Persons referred to in the immediately preceding clause (a).

"Repay" means, in respect of any Debt, to repay, prepay, repurchase, redeem, legally defease or otherwise retire such Debt. "Repayment" and "Repaid" shall have correlative meanings. For purposes of the covenant described under "— Certain Covenants — Limitation on Asset Sales" and the definition of "Consolidated Interest Coverage Ratio," Debt shall be considered to have been Repaid only to the extent the related loan commitment, if any, shall have been permanently reduced in connection therewith.

"Restricted Payment" means:

(a) any dividend or distribution (whether made in cash, securities or other Property) declared or paid on or with respect to any shares of Capital Stock of the Company or any Restricted Subsidiary (including any payment in connection with any merger or consolidation with or into the Company or any Restricted Subsidiary), except for (i) any dividend or distribution that is made solely to the Company or a Restricted Subsidiary (and, if such Restricted Subsidiary is not a Wholly Owned Restricted Subsidiary, to the other shareholders of such Restricted Subsidiary on a pro rata basis or on a basis that results in the receipt by the Company or a Restricted Subsidiary of dividends or distributions of greater value than it would receive on a pro rata basis), or (ii) any dividend or distribution payable solely in shares of Capital Stock (other than Disqualified Stock) of the Company;

(b) the purchase, repurchase, redemption, acquisition or retirement for value of any Capital Stock of the Company or any Restricted Subsidiary (other than from the Company or a Restricted Subsidiary) or any securities exchangeable for or convertible into any such Capital Stock, including the exercise of any option to exchange any Capital Stock (other than for or into Capital Stock of the Company that is not Disqualified Stock);

(c) the purchase, repurchase, redemption, acquisition or retirement for value, prior to the date for any scheduled maturity, sinking fund or amortization or other installment payment, of any Subordinated Obligation (other than the purchase, repurchase or other acquisition of any Subordinated Obligation purchased in anticipation of satisfying a scheduled maturity, sinking fund or amortization or other installment obligation, in each case due within one year of the date of acquisition); or

(d) any Investment (other than Permitted Investments) in any Person.

"Restricted Subsidiary" means any Subsidiary of the Company other than an Unrestricted Subsidiary.

"S&P" means Standard & Poor's Ratings Group, Inc., a division of the McGraw-Hill Companies, Inc., or any successor to the rating agency business thereof.

"Sale and Leaseback Transaction" means any direct or indirect arrangement relating to Property now owned or hereafter acquired whereby the Company or a Restricted Subsidiary transfers such Property to another Person and the Company or a Restricted Subsidiary leases it from such Person.

"SEC" means the U.S. Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended.

"Securitization Entity" means any wholly owned Subsidiary of the Company or any Restricted Subsidiary (or another Person in which the Company or any Restricted Subsidiary make an Investment and to which the Company or any Restricted Subsidiary transfers accounts receivable and related assets) (a) which engages in no activities other than in connection with the financing of accounts receivable or related assets, (b) which is designated by the Board of Directors (as provided below) as a Securitization Entity, (c) no portion of the Debt or any other Obligations (contingent or otherwise) of which (i) is guaranteed by the Company or any Restricted Subsidiary (excluding guarantees of Obligations (other than the principal of, and interest on, Debt) pursuant to Standard Securitization Undertakings and guarantees by the Securitization Entity), (ii) is recourse to or obligates the Company or any Restricted Subsidiary (other than the Securitization Entity) in any way other than pursuant to Standard Securitization Undertakings or (iii) subjects any property or asset of the Company or any Restricted Subsidiary (other than the Securitization Entity), directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings and other than any interest in the accounts receivable and related assets being financed (whether in the form of any equity interest in such assets or subordinated indebtedness payable primarily from such financed assets) retained or acquired by the Company or any Restricted Subsidiary, (d) with which none of the Company nor any Restricted Subsidiary has any material contract, agreement, arrangement or understanding other than those customary for a Qualified Securitization Transaction and, in any event, on terms no less favorable to the Company or such Restricted Subsidiary than those that might be obtained at the time from Persons that are not Affiliates of the Company or such Restricted Subsidiary, and (e) to which none of the Company nor any Restricted Subsidiary has any obligation to maintain or preserve such entity's financial condition or cause such entity to achieve certain levels of operating results. Any such designation by the Board of Directors shall be evidenced to the Trustee by filing with the Trustee a certified copy of the resolution of the Board of Directors giving effect to such designation and an Officers' Certificate certifying that such designation complied with the foregoing conditions.

"Senior Debt" of the Company means:

(a) all obligations consisting of the principal, premium, if any, and accrued and unpaid interest (including interest accruing on or after the filing of any petition in bankruptcy or for reorganization relating to the Company to the extent post-filing interest is allowed in such proceeding) in respect of:

(1) Debt of the Company for borrowed money, and

(2) Debt of the Company evidenced by notes, debentures, bonds or other similar instruments permitted under the Indenture for the payment of which the Company is responsible or liable;

(b) all Capital Lease Obligations of the Company and all Attributable Debt in respect of Sale and Leaseback Transactions entered into by the Company;

(c) all obligations of the Company

(1) for the reimbursement of any obligor on any letter of credit, banker's acceptance or similar credit transaction,

(2) under Hedging Obligations, or

(3) issued or assumed as the deferred purchase price of Property and all conditional sale obligations of the Company and all obligations under any title retention agreement permitted under the Indenture; and

(d) all obligations of other Persons of the type referred to in clauses (a), (b) and (c) for the payment of which the Company is responsible or liable as Guarantor;

provided, *however*, that Senior Debt shall not include:

(A) Debt of the Company that is by its terms subordinate in right of payment to the Notes, including any Subordinated Debt;

(B) any Debt Incurred in violation of the provisions of the Indenture;

(C) accounts payable or any other obligations of the Company to trade creditors created or assumed by the Company in the ordinary course of business in connection with the obtaining of materials or services (including Guarantees thereof or instruments evidencing such liabilities);

(D) any liability for Federal, state, local or other taxes owed or owing by the Company;

(E) any obligation of the Company to any Subsidiary; or

(F) any obligations with respect to any Capital Stock of the Company.

To the extent that any payment of Senior Debt (whether by or on behalf of the Company as proceeds of security or enforcement or any right of setoff or otherwise) is declared to be fraudulent or preferential, set aside or required to be paid to a trustee, receiver or other similar party under any bankruptcy, insolvency, receivership or similar law, then if such payment is recovered by, or paid over to, such trustee, receiver or other similar party, the Senior Debt or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as if such payment had not occurred.

"Senior Debt" of any Subsidiary Guarantor has a correlative meaning to Senior Debt of the Company.

"Senior Notes" means the Company's 7.25% Senior Notes due 2015.

"Senior Secured Credit Facilities" means (a) the asset-based lending facility dated as of July 6, 2007 by and among the Company, ABN AMRO Bank N.V. as administrative agent, and the several banks and other financial institutions or entities from time to time parties thereto, including any notes, collateral documents, and documentation and guarantees and any appendices, exhibits or schedules to any of the preceding, and (b) the term loan facility dated as of July 6, 2007 by and among the Company, UBS AG, Stamford Branch, as administrative agent and as collateral agent, and the several banks and other financial institutions or entities from time to time parties thereto, including any notes, collateral documents, letters of credit and documentation and guarantees and any appendices, exhibits or schedules to any of the preceding, as such agreements may be in effect from time to time, in each case, as any or all of such agreements (or any other agreement that Refinances any or all of such agreements) may be amended, restated, modified or supplemented from time to time, or renewed, refunded, refinanced, restructured, replaced, repaid or extended from time to time, whether with the original agents and lenders or other agents and lenders or otherwise, and whether provided under the original credit agreement or one or more other credit agreements, indentures or otherwise.

"Significant Subsidiary" means any Subsidiary that would be a "significant subsidiary" of the Company within the meaning of Rule 1-02 under Regulation S-X promulgated pursuant to the Exchange Act.

"Special Interest" means the additional interest, if any, to be paid on the Notes.

"Standard Securitization Undertakings" means representations, warranties, covenants and indemnities entered into by the Company or any Restricted Subsidiary that are reasonably customary in an accounts receivable securitization transaction so long as none of the same constitute Debt, a Guarantee or otherwise require the provision of credit support.

"Stated Maturity" means, with respect to any security, the date specified in such security as the fixed date on which the payment of principal of such security is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase of such security at the option of the holder thereof upon the happening of any contingency beyond the control of the issuer unless such contingency has occurred).

"Subordinated Debt" means any Debt of the Company or any Subsidiary Guarantor (whether outstanding on the Issue Date or thereafter Incurred) that is subordinate or junior in right of payment to the Notes or the applicable Subsidiary Guaranty pursuant to a written agreement to that effect.

"Subsidiary" means, in respect of any Person, any corporation, company (including any limited liability company), association, partnership, joint venture or other business entity of which an aggregate of 50% or more of the total voting power of the Voting Stock is at the time owned or controlled, directly or indirectly, by:

(a) such Person,

(b) such Person and one or more Subsidiaries of such Person, or

(c) one or more Subsidiaries of such Person.

"Subsidiary Guarantor" means (a) each Canadian Restricted Subsidiary and U.S. Restricted Subsidiary; (b) Novelis do Brasil Ltda, Novelis UK Ltd., Novelis Europe Holdings Limited, Novelis Aluminium Holding Company, Novelis Deutschland GmbH, Novelis Switzerland SA, Novelis Technology AG, Novelis AG, Novelis PAE S.A.S., Novelis Luxembourg S.A., Novelis Madeira, Unipessoal, Lda and Novelis Services Limited; and (c) any other Person that becomes a Subsidiary Guarantor pursuant to the covenant described under "— Certain Covenants — Future Subsidiary Guarantors" or who otherwise executes and delivers a supplemental indenture to the Trustee providing for a Subsidiary Guaranty.

"Subsidiary Guaranty" means a Guarantee on the terms set forth in the Indenture by a Subsidiary Guarantor of the Company's obligations with respect to the Notes.

"Surviving Person" means the surviving Person formed by a merger, consolidation or amalgamation and, for purposes of the covenant described under "— Merger, Consolidation and Sale of Property," a Person to whom all or substantially all of the Property of the Company or a Subsidiary Guarantor is sold, transferred, assigned, leased, conveyed or otherwise disposed.

"Taxes" means any present or future tax, duty, levy, interest, assessment or other governmental charge imposed or levied by or on behalf of any government or any political subdivision or territory or possession of any government or any authority or agency therein or thereof having power to tax.

"Taxing Jurisdiction" means (i) with respect to any payment made under the Notes, any jurisdiction (or any political subdivision thereof or therein) in which the Company, or any of its successors, are organized or resident for tax purposes or conduct of business, or from or through which payment is made and (ii) with respect to any payment made by a Subsidiary Guarantor, any jurisdiction (or any political subdivision thereof or therein) in which such Subsidiary Guarantor is organized or resident for tax purposes or conduct of business, or from or through which payment is made.

"Treasury Rate" means, with respect to any redemption date, the rate per annum equal to the yield to maturity of the Comparable Treasury Issue, compounded semi-annually, assuming a price for such Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

"Unrestricted Subsidiary" means:

(a) any Subsidiary of the Company that is designated after the Issue Date as an Unrestricted Subsidiary as permitted or required pursuant to the covenant described under "— Certain Covenants — Designation of Restricted and Unrestricted Subsidiaries" and is not thereafter redesignated as a Restricted Subsidiary as permitted pursuant thereto; and

(b) any Subsidiary of an Unrestricted Subsidiary.

"U.S. Government Obligations" means direct obligations (or certificates representing an ownership interest in such obligations) of the United States (including any agency or instrumentality thereof) for the payment of which the full faith and credit of the United States is pledged and which are not callable or redeemable at the issuer's option.

"U.S. Restricted Subsidiary" means any Restricted Subsidiary that is organized under the laws of the United States of America or any State thereof or the District of Columbia.

"Voting Stock" of any Person means all classes of Capital Stock or other interests (including partnership interests) of such Person then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof.

"Wholly Owned Restricted Subsidiary" means, at any time, a Restricted Subsidiary all the Voting Stock of which (other than directors' qualifying shares) is at such time owned, directly or indirectly, by the Company and its other Wholly Owned Subsidiaries.

BOOK-ENTRY SETTLEMENT AND CLEARANCE

Except as set forth below, new notes will be issued in registered, global form, without interest coupons (the "Global Notes") in minimum denominations of $2,000 and integral multiples of $1,000 in excess of $1,000. Upon issuance, each of the global notes will be deposited with the trustee as custodian for DTC and registered in the name of Cede & Co., as nominee of DTC.

Except as set forth below, the Global Notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the Global Notes may not be exchanged for notes in certificated form except in the limited circumstances described below. See "— Exchange of Global Notes for Certificated Notes." Except in the limited circumstances described below, owners of beneficial interests in the Global Notes will not be entitled to receive physical delivery of notes in certificated form. In addition, transfers of beneficial interests in the Global Notes will be subject to the applicable rules and procedures of DTC and its direct or indirect participants, which may change from time to time.

Depositary Procedures

The following description of the operations and procedures of DTC is provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. We take no responsibility for these operations and procedures and urge investors to contact the system or their participants directly to discuss these matters.

DTC has advised us that DTC is a limited-purpose trust company organized under the laws of the State of New York, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participating organizations (collectively, the "participants") and to facilitate the clearance and settlement of transactions in those securities between participants through electronic book-entry changes in accounts of its participants. The participants include securities brokers and dealers (including the initial purchasers), banks, trust companies, clearing corporations and certain other organizations. Access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly (collectively, the "indirect participants"). Persons who are not participants may beneficially own securities held by or on behalf of DTC only through the participants or the indirect participants. The ownership interests in, and transfers of ownership interests in, each security held by or on behalf of DTC are recorded on the records of the participants and indirect participants.

DTC has also advised us that, pursuant to procedures established by it:

(1) upon deposit of the Global Notes, DTC will credit the accounts of participants designated by the initial purchasers with portions of the principal amount of the Global Notes; and

(2) ownership of these interests in the Global Notes will be shown on, and the transfer of ownership of these interests will be effected only through, records maintained by DTC (with respect to the participants) or by the participants and the indirect participants (with respect to other owners of beneficial interests in the Global Notes).

Investors in the Global Notes who are participants in DTC's system may hold their interests therein directly through DTC. Investors in the Global Notes who are not participants may hold their interests therein indirectly through organizations which are participants in such system. All interests in a Global Note may be subject to the procedures and requirements of DTC. The laws of some states require that certain Persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interests in a Global Note to such Persons will be limited to that extent. Because DTC can act only on behalf of participants, which in turn act on behalf of indirect participants, the ability of a Person having beneficial interests in a Global Note to pledge such interests to Persons that do not participate in the DTC system, or

otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

Except as described below, owners of an interest in the Global Notes will not have notes registered in their names, will not receive physical delivery of notes in certificated form and will not be considered the registered owners or "holders" thereof under the Indenture for any purpose.

Payments in respect of the principal of, and interest and premium and additional interest, if any, on a Global Note registered in the name of DTC or its nominee will be payable to DTC in its capacity as the registered holder under the Indenture. Under the terms of the Indenture, the company and the Trustee will treat the Persons in whose names the notes, including the Global Notes, are registered as the owners of the notes for the purpose of receiving payments and for all other purposes. Consequently, neither the company, the Trustee nor any agent of the company or the Trustee has or will have any responsibility or liability for:

(1) any aspect of DTC's records or any participant's or indirect participant's records relating to or payments made on account of beneficial ownership interests in the Global Notes or for maintaining, supervising or reviewing any of DTC's records or any participant's or indirect participant's records relating to the beneficial ownership interests in the Global Notes; or

(2) any other matter relating to the actions and practices of DTC or any of its participants or indirect participants.

DTC has advised us that its current practice, upon receipt of any payment in respect of securities such as the notes (including principal and interest), is to credit the accounts of the relevant participants with the payment on the payment date unless DTC has reason to believe it will not receive payment on such payment date. Each relevant participant is credited with an amount proportionate to its beneficial ownership of an interest in the principal amount of the relevant security as shown on the records of DTC. Payments by the participants and the indirect participants to the beneficial owners of notes will be governed by standing instructions and customary practices and will be the responsibility of the participants or the indirect participants and will not be the responsibility of DTC, the Trustee or the company. Neither the company nor the Trustee will be liable for any delay by DTC or any of its participants in identifying the beneficial owners of the notes, and the company and the Trustee may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Transfers between participants in DTC will be effected in accordance with DTC's procedures, and will be settled in same-day funds.

DTC has advised the company that it will take any action permitted to be taken by a holder of notes only at the direction of one or more participants to whose account DTC has credited the interests in the Global Notes and only in respect of such portion of the aggregate principal amount of the notes as to which such participant or participants has or have given such direction. However, if there is an Event of Default under the notes, DTC reserves the right to exchange the Global Notes for legended notes in certificated form, and to distribute such notes to its participants.

Although DTC has agreed to the foregoing procedures in order to facilitate transfers of interests in the Global Notes among participants, it is under no obligation to perform such procedures, and such procedures may be discontinued or changed at any time. Neither the company nor the Trustee nor any of their respective agents will have any responsibility for the performance by DTC or its participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Exchange of Global Notes for Certificated Notes

A Global Note is exchangeable for Certificated Notes if:

(1) DTC (a) notifies the company that it is unwilling or unable to continue as depositary for the Global Notes or (b) has ceased to be a clearing agency registered under the Exchange Act and, in each case, a successor depositary is not appointed;

(2) the company, at their option, notify the Trustee in writing that they elect to cause the issuance of the Certificated Notes; or

(3) there has occurred and is continuing a Default with respect to the notes.

In addition, beneficial interests in a Global Note may be exchanged for Certificated Notes upon prior written notice given to the Trustee by or on behalf of DTC in accordance with the Indenture. In all cases, Certificated Notes delivered in exchange for any Global Note or beneficial interests in Global Notes will be registered in the names, and issued in any approved denominations, requested by or on behalf of the depositary (in accordance with its customary procedures) and will bear the applicable restrictive legend unless that legend is not required by applicable law.

Exchange of Certificated Notes for Global Notes

Certificated Notes may not be exchanged for beneficial interests in any Global Note unless the transferor first delivers to the Trustee a written certificate (in the form provided in the Indenture) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such notes.

Same Day Settlement and Payment

The company will make payments in respect of the notes represented by the Global Notes (including principal, premium, if any, interest and additional interest, if any) by wire transfer of immediately available funds to the accounts specified by the Global Note holder. The company will make all payments of principal, interest and premium and additional interest, if any, with respect to Certificated Notes by wire transfer of immediately available funds to the accounts specified by the holders of the Certificated Notes or, if no such account is specified, by mailing a check to each such holder's registered address. The notes represented by the Global Notes are expected to be made eligible to trade in DTC's Same-Day Funds Settlement System, and any permitted secondary market trading activity in such notes will, therefore, be required by DTC to be settled in immediately available funds. The company expect that secondary trading in any Certificated Notes will also be settled in immediately available funds.

PRINCIPAL CANADIAN AND U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE EXCHANGE OFFER

Canadian Federal Income Taxation

Exchange of Old Notes

A Non-Resident Holder (as defined below) will not be subject to Canadian federal income tax as a result of the exchange of old notes for new notes in the exchange offer.

Ownership of New Notes

Amounts paid or credited, or deemed to be paid or credited, as, on account or in lieu of payment of, or in satisfaction of the principal of the new notes or premium, discount or interest on the new notes by us to a Non-Resident Holder, including in respect of a required offer to purchase the new notes, will be exempt from Canadian withholding tax. However, a Non-Resident Holder who transfers a new note to a holder resident deemed to be resident in Canada for purposes of the *Income Tax Act* (Canada) (the "Tax Act") with whom the Non-Resident Holder does not deal at arm's length should consult its own tax advisor.

No other taxes on income (including taxable capital gains) will be payable under the Tax Act by Non-Resident Holders of the new notes in respect of the acquisition, ownership or disposition of the new notes.

For purposes of this section, "Non-Resident Holder" means a holder who exchanges old notes for new notes in the exchange offer and who, at all relevant times, (i) is not and is not deemed to be a resident of Canada for purposes of the Tax Act and any applicable income tax convention, (ii) deals at arm's length with us for purposes of the Tax Act and (iii) holds the old notes and new notes as capital property.

Certain U.S. Federal Income Tax Consequences of the Exchange Offer

The following discussion is a summary of certain U.S. federal income tax consequences of the exchange offer to holders of old notes, but is not a complete analysis of all potential tax effects. The summary below is based upon the Internal Revenue Code of 1986, as amended (the "Code"), regulations of the Treasury Department, administrative rulings and pronouncements of the Internal Revenue Service and judicial decisions, all of which are subject to change, possibly with retroactive effect. This summary does not address all of the U.S. federal income tax consequences that may be applicable to particular holders, including dealers in securities, financial institutions, insurance companies and tax-exempt organizations. In addition, this summary does not consider the effect of any foreign, state, local, gift, estate or other tax laws that may be applicable to a particular holder. This summary applies only to a holder that acquired old notes at original issue for cash and holds such old notes as a capital asset within the meaning of Section 1221 of the Code.

The exchange of old notes for new notes in the exchange offer will not constitute a taxable event to holders for U.S. federal income tax purposes. Consequently, no gain or loss will be recognized by a holder upon receipt of a new note, the holder's holding period for the new note will include the holder's holding period for the old note exchanged therefor, and the holder's basis in the new note will be the same as the holder's basis in the old note immediately before the exchange. Likewise, because the old notes were issued with original issue discount (which U.S. holders must accrue and include in income prior to the receipt of cash attributable to such income), such discount will carry over to the new notes.

Persons considering the exchange of old notes for new notes should consult their own tax advisors concerning the Canadian and U.S. federal income tax consequences to them in light of their particular situations as well as any consequences arising under the laws of any other taxing jurisdiction.

PLAN OF DISTRIBUTION

For a period of 180 days from the date on which the exchange offer is consummated, we will promptly send additional copies of this prospectus and any amendment or supplement to this prospectus to any broker-dealer that requests such documents. We have agreed to pay all expenses incident to the exchange offer, other than commissions or concessions of any broker-dealers and will indemnify the holders of the notes, including any broker-dealers, against certain liabilities, including liabilities under the Securities Act.

Each broker-dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for old notes where such old notes were acquired as a result of market-making activities or other trading activities. We have agreed that, for a period of 180 days after the date on which the exchange offer is consummated, we will make this prospectus, as amended or supplemented, available to any broker-dealer for use in connection with any such resale. In addition, until , 2009, all dealers effecting transactions in the new notes may be required to deliver a prospectus.

We will not receive any proceeds from any sale of new notes by broker-dealers. New notes received by broker-dealers for their own account pursuant to the exchange offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the new notes or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-dealer or the purchasers of any such new notes. Any broker-dealer that resells new notes that were received by it for its own account pursuant to the exchange offer and any broker or dealer that participates in a distribution of such new notes may be deemed to be an “underwriter” within the meaning of the Securities Act and any profit on any such resale of new notes and any commission or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The letter of transmittal states that, by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an “underwriter” within the meaning of the Securities Act.

For a period of 180 days after the date on which the exchange offer is consummated we will promptly send additional copies of this prospectus and any amendment or supplement to this prospectus to any broker-dealer that requests such documents in the letter of transmittal. We have agreed to pay all expenses incident to the exchange offer (including the expenses of one counsel for the holders of the notes) other than commissions or concessions of any brokers or dealers and will indemnify the holders of the notes (including any broker-dealers) against certain liabilities, including liabilities under the Securities Act.

LEGAL MATTERS

The validity of the new notes will be passed upon for us by King & Spalding LLP, Atlanta, Georgia.

EXPERTS

The consolidated financial statements as of and for the year ended March 31, 2009; as of March 31, 2008; for the periods May 16, 2007 through March 31, 2008 and April 1, 2007 through May 15, 2007; the three months ended March 31, 2007; and for the year ended December 31, 2006 included in this Prospectus and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting as of March 31, 2009 included in the Annual Report on Form 10-K for the year ended March 31, 2009) have been so included in reliance on the reports (which contain an explanatory paragraph relating to the Company's retrospective application of SFAS No. 160 and an adverse opinion on the effectiveness of internal control over financial reporting) of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports and other information with the SEC. Our SEC filings are available to the public on the SEC's website at *http://www.sec.gov*. You may also read and copy any documents we file with the SEC at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. You can request copies of these documents by writing to the SEC and paying a fee for the copying cost. Please call the SEC at 1-800-SEC-0330 for more information about the operation of the public reference rooms.

While any notes remain outstanding, we will make available without charge, upon written or oral request, to any beneficial owner and any prospective purchaser of notes the information required pursuant to Rule 144A(d)(4) under the Securities Act during any period in which we are not subject to Section 13 or 15(d) of the Exchange Act. Also, we will provide without charge, upon written or oral request, to each person, including any beneficial owner, to whom this prospectus is delivered, a copy of all documents referred to below which have been or may be incorporated by reference into this prospectus excluding exhibits to those documents unless they are specifically incorporated by reference into those documents. Any such request should be directed to us at:

Corporate Secretary
Novelis Inc.
3399 Peachtree Road, NE
Suite 1500
Atlanta, Georgia 30326
(404) 814-4200

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholder of Novelis Inc.:

In our opinion, the accompanying consolidated balance sheets as of March 31, 2009 and March 31, 2008 and the related consolidated statements of operations, shareholder's equity, cash flows, and comprehensive income (loss) for the year ended March 31, 2009 and the period from May 16, 2007 to March 31, 2008 present fairly, in all material respects, the financial position of Novelis Inc. and its subsidiaries (Successor) at March 31, 2009 and March 31, 2008, and the results of their operations and their cash flows for the year ended March 31, 2009 and the period from May 16, 2007 to March 31, 2008 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company did not maintain, in all material respects, effective internal control over financial reporting as of March 31, 2009, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) because a material weakness in internal control over financial reporting with respect to the application of purchase accounting for an equity method investee including related income tax accounts existed as of that date. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected on a timely basis. The material weakness referred to above is described in Management's Report on Internal Control over Financial Reporting (not presented herein) appearing under Item 9A of Novelis Inc.'s 2009 Annual Report on Form 10-K. We considered this material weakness in determining the nature, timing, and extent of audit tests applied in our audit of the 2009 consolidated financial statements, and our opinion regarding the effectiveness of the Company's internal control over financial reporting does not affect our opinion on those consolidated financial statements. The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in management's report referred to above. Our responsibility is to express opinions on these financial statements and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included 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. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that

controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As discussed in Note 1 to the consolidated financial statements, the Company changed its method of accounting for minority interests (now termed noncontrolling interests) to conform to SFAS No. 160, Noncontrolling Interests in Consolidated Financial Statements — an amendment of ARB No. 51 ("SFAS No. 160"), effective April 1, 2009 and retrospectively adjusted the financial statements as of March 31, 2009 and 2008 and for the year ended March 31, 2009 and the period from May 16, 2007 to March 31, 2008.

/s/ PricewaterhouseCoopers LLP

Atlanta, GA
June 29, 2009 (except with respect to our opinion on the consolidated financial statements insofar as it relates to the retrospective application of SFAS No. 160, as to which the date is August 5, 2009).

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholder of Novelis Inc.:

In our opinion, the accompanying consolidated statements of operations, shareholder's/invested equity, cash flows, and comprehensive income (loss) for the periods from April 1, 2007 to May 15, 2007, and January 1, 2007 to March 31, 2007, and the year ended December 31, 2006 present fairly, in all material respects, the results of operations and cash flows of Novelis Inc. and its subsidiaries (Predecessor) for the periods from April 1, 2007 to May 15, 2007, and January 1, 2007 to March 31, 2007, and for the year ended December 31, 2006 in conformity with accounting principles generally accepted in the United States of America. 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 the standards of the Public Company Accounting Oversight Board (United States). 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, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 1 to the consolidated financial statements, the Company changed the manner in which it accounts for defined benefit pension and other postretirement plans effective December 31, 2006.

As discussed in Note 1 to the consolidated financial statements, the Company changed its method of accounting for minority interests (now termed noncontrolling interests) to conform to SFAS No. 160, Noncontrolling Interests in Consolidated Financial Statements — an amendment of ARB No. 51 ("SFAS No. 160"), effective April 1, 2009 and retrospectively adjusted the financial statements for the periods from April 1, 2007 to May 15, 2007, and January 1, 2007 to March 31, 2007, and the year ended December 31, 2006.

/s/ PricewaterhouseCoopers LLP

Atlanta, GA
June 29, 2009 (except with respect to our opinion on the consolidated financial statements insofar as it relates to the retrospective application of SFAS No. 160, as to which the date is August 5, 2009).

Novelis Inc.

CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share amounts)

	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
	Successor	*Successor*	*Predecessor*	*Predecessor*	*Predecessor*
Net sales	$ 10,177	$ 9,965	$ 1,281	$ 2,630	$ 9,849
Cost of goods sold (exclusive of depreciation and amortization shown below)	9,251	9,042	1,205	2,447	9,317
Selling, general and administrative expenses	319	319	95	99	410
Depreciation and amortization	439	375	28	58	233
Research and development expenses	41	46	6	8	40
Interest expense and amortization of debt issuance costs	182	191	27	54	221
Interest income	(14)	(18)	(1)	(4)	(15)
(Gain) loss on change in fair value of derivative instruments, net	556	(22)	(20)	(30)	(63)
Impairment of goodwill	1,340	—	—	—	—
Gain on extinguishment of debt	(122)	—	—	—	—
Restructuring charges, net	95	6	1	9	19
Equity in net (income) loss of non-consolidated affiliates	172	(25)	(1)	(3)	(16)
Other (income) expenses, net	86	(6)	35	47	(19)
	12,345	9,908	1,375	2,685	10,127
Income (loss) before income taxes	(2,168)	57	(94)	(55)	(278)
Income tax provision (benefit)	(246)	73	4	7	(4)
Net loss	(1,922)	(16)	(98)	(62)	(274)
Net income (loss) attributable to noncontrolling interests	(12)	4	(1)	2	1
Net loss attributable to our common shareholder	(1,910)	(20)	(97)	(64)	(275)
Dividends per common share	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.20

See accompanying notes to the consolidated financial statements.

Novelis Inc.

CONSOLIDATED BALANCE SHEETS
(In millions, except number of shares)

	March 31, 2009 Successor	March 31, 2008 Successor
ASSETS		
Current assets		
Cash and cash equivalents	$ 248	$ 326
Accounts receivable (net of allowances of $2 and $1 as of March 31, 2009 and 2008, respectively)		
— third parties	1,049	1,248
— related parties	25	31
Inventories	793	1,455
Prepaid expenses and other current assets	51	58
Fair value of derivative instruments	119	203
Deferred income tax assets	216	125
Total current assets	2,501	3,446
Property, plant and equipment, net	2,799	3,357
Goodwill	582	1,930
Intangible assets, net	787	888
Investment in and advances to non-consolidated affiliates	719	946
Fair value of derivative instruments, net of current portion	72	21
Deferred income tax assets	4	6
Other long-term assets		
— third parties	80	102
— related parties	23	41
Total assets	$ 7,567	$ 10,737
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Current portion of long-term debt	$ 51	$ 15
Short-term borrowings	264	115
Accounts payable		
— third parties	725	1,582
— related parties	48	55
Fair value of derivative instruments	640	148
Accrued expenses and other current liabilities	516	704
Deferred income tax liabilities	—	39
Total current liabilities	2,244	2,658
Long-term debt, net of current portion		
— third parties	2,417	2,560
— related party	91	—
Deferred income tax liabilities	469	754
Accrued postretirement benefits	495	421
Other long-term liabilities	342	672
	6,058	7,065
Commitments and contingencies		
Shareholder's equity		
Common stock, no par value; unlimited number of shares authorized; 77,459,658 shares issued and outstanding as of March 31, 2009 and 2008, respectively	—	—
Additional paid-in capital	3,497	3,497
Accumulated deficit	(1,930)	(20)
Accumulated other comprehensive income (loss)	(148)	46
Total equity of our common shareholder	1,419	3,523
Noncontrolling interests	90	149
Total equity	1,509	3,672
Total liabilities and equity	$ 7,567	$ 10,737

See accompanying notes to the consolidated financial statements.

Novelis Inc.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Year Ended March 31, 2009 *Successor*	May 16, 2007 Through March 31, 2008 *Successor*	April 1, 2007 Through May 15, 2007 *Predecessor*	Three Months Ended March 31, 2007 *Predecessor*	Year Ended December 31, 2006 *Predecessor*
OPERATING ACTIVITIES					
Net loss	$ (1,922)	$ (16)	$ (98)	$ (62)	$ (274)
Adjustments to determine net cash provided by (used in) operating activities:					
Depreciation and amortization	439	375	28	58	233
(Gain) loss on change in fair value of derivative instruments, net	556	(22)	(20)	(30)	(63)
Non-cash Restructuring charges, net	22	—	—	8	—
Gain on extinguishment of debt	(122)	—	—	—	—
Deferred income taxes	(331)	(5)	(18)	(9)	(77)
Write-off and amortization of fair value adjustments, net	(233)	(221)	—	—	—
Impairment of goodwill	1,340	—	—	—	—
Equity in net (income) loss of non-consolidated affiliates	172	(25)	(1)	(3)	(16)
Foreign exchange remeasurement on debt	26	—	—	—	—
Gain on reversal of accrued legal claim	(26)	—	—	—	—
Amortization of debt issuance costs	5	10	1	2	13
Other, net	3	2	4	2	12
Changes in assets and liabilities (net of effects from acquisitions and divestitures):					
Accounts receivable	69	181	(21)	(25)	(141)
Inventories	466	208	(76)	(95)	(206)
Accounts payable	(655)	(18)	(62)	78	523
Other current assets	(6)	(8)	(7)	3	25
Other current liabilities	(63)	(68)	42	(22)	(64)
Other noncurrent assets	17	(30)	(1)	(5)	6
Other noncurrent liabilities	7	42	(1)	13	45
Net cash provided by (used in) operating activities	(236)	405	(230)	(87)	16
INVESTING ACTIVITIES					
Capital expenditures	(145)	(185)	(17)	(24)	(116)
Disposal of business, net	—	—	—	—	(7)
Proceeds from sales of assets	5	8	—	—	38
Changes to investment in and advances to non-consolidated affiliates	20	24	1	1	3
Proceeds from related party loans receivable, net	17	18	—	1	37
Net proceeds from settlement of derivative instruments	(8)	37	18	24	238
Net cash provided by (used in) investing activities	(111)	(98)	2	2	193

(Continued)

Novelis Inc.

CONSOLIDATED STATEMENTS OF CASH FLOWS — (Continued)
(In millions)

	Year Ended March 31, 2009 *Successor*	May 16, 2007 Through March 31, 2008 *Successor*	April 1, 2007 Through May 15, 2007 *Predecessor*	Three Months Ended March 31, 2007 *Predecessor*	Year Ended December 31, 2006 *Predecessor*
FINANCING ACTIVITIES					
Proceeds from issuance of common stock	—	92	—	—	—
Proceeds from issuance of debt					
— third parties	263	1,100	150	—	41
— related parties	91	—	—	—	—
Principal repayments	(235)	(1,009)	(1)	(1)	(353)
Short-term borrowings, net	176	(241)	60	113	103
Dividends	(6)	(1)	(7)	—	(30)
Debt issuance costs	(3)	(37)	(2)	—	(11)
Proceeds from the exercise of stock options	—	—	1	27	2
Other	—	—	—	1	5
Net cash provided by (used in) financing activities	286	(96)	201	140	(243)
Net increase (decrease) in cash and cash equivalents	(61)	211	(27)	55	(34)
Effect of exchange rate changes on cash balances held in foreign currencies	(17)	13	1	—	7
Cash and cash equivalents — beginning of period	326	102	128	73	100
Cash and cash equivalents — end of period	$ 248	$ 326	$ 102	$ 128	$ 73
Supplemental disclosures of cash flow information:					
Interest paid	$ 169	$ 200	$ 13	$ 84	$ 201
Income taxes paid	65	64	9	18	68

See accompanying notes to the consolidated financial statements.

Novelis Inc.

CONSOLIDATED STATEMENTS OF SHAREHOLDER'S EQUITY
(In millions, except number of shares)

	Equity of our Common Shareholder						
	Common Stock		Additional Paid-in Capital	Retained Earnings/ (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interests	Total Equity
	Shares	Amount					
Predecessor							
Balance as of December 31, 2005	74,005,649	$ —	$ 425	$ 92	$ (84)	$ 159	$ 592
Fiscal 2006 Activity:							
Net loss attributable to our common shareholder	—	—	—	(275)	—	—	(275)
Net income attributable to noncontrolling interests	—	—	—	—	—	1	1
Issuance of common stock in connection with stock plans	134,686	—	2	—	—	—	2
Spin-off settlement and post-closing adjustments	—	—	(38)	—	—	—	(38)
Share-based compensation	—	—	9	—	—	—	9
Currency translation adjustment	—	—	—	—	168	13	181
Change in fair value of effective portion of hedges, net	—	—	—	—	(46)	—	(46)
Postretirement benefit plans:							
Change in minimum pension liability	—	—	—	—	12	—	12
Initial impact of adopting Financial Accounting Standards Board Statement No. 158	—	—	—	—	(55)	—	(55)
Noncontrolling interests cash dividends	—	—	—	—	—	(15)	(15)
Dividends on common shares	—	—	—	(15)	—	—	(15)
Balance as of December 31, 2006	74,140,335	—	398	(198)	(5)	158	353
Activity for Three Months Ended March 31, 2007:							
Adjustment for uncertain tax positions	—	—	—	(1)	—	—	(1)
Net loss attributable to our common shareholder	—	—	—	(64)	—	—	(64)
Net income attributable to noncontrolling interests	—	—	—	—	—	2	2
Issuance of common stock from the exercise of stock options	1,217,325	—	27	—	—	—	27
Share-based compensation	—	—	2	—	—	—	2
Windfall tax benefit on share-based compensation	—	—	1	—	—	—	1
Currency translation adjustment	—	—	—	—	11	(1)	10
Change in fair value of effective portion of hedges, net	—	—	—	—	3	—	3
Postretirement benefit plans:							
Amortization of net actuarial loss	—	—	—	—	1	—	1
Noncontrolling interests cash dividends	—	—	—	—	—	(7)	(7)
Balance as of March 31, 2007	75,357,660	—	428	(263)	10	152	327

(Continued)

Novelis Inc.

CONSOLIDATED STATEMENTS OF SHAREHOLDER'S EQUITY — (Continued)
(In millions, except number of shares)

	Equity of our Common Shareholder						
	Common Stock		Additional Paid-in Capital	Retained Earnings/ (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interests	Total Equity
	Shares	Amount					
Predecessor							
Activity for April 1, 2007 through May 15, 2007:							
Net loss attributable to our common shareholder	—	—	—	(97)	—	—	(97)
Net loss attributable to noncontrolling interests	—	—	—	—	—	(1)	(1)
Issuance of common stock from the exercise of stock options	57,876	—	1	—	—	—	1
Conversion of share-based compensation plans from equity-based plans to liability-based plans	—	—	(7)	—	—	—	(7)
Currency translation adjustment, net of tax	—	—	—	—	35	1	36
Change in fair value of effective portion of hedges, net of tax	—	—	—	—	(1)	—	(1)
Postretirement benefit plans:							—
Amortization of net actuarial loss	—	—	—	—	(1)	—	(1)
Balance as of May 15, 2007	75,415,536	$ —	$ 422	$ (360)	$ 43	$ 152	$ 257
Successor							
Balance as of May 16, 2007	75,415,536	$ —	$ 3,405	$ —	$ —	$ 152	$ 3,557
Activity for May 16, 2007 through March 31, 2008:							
Net income (loss) attributable to our common shareholder	—	—	—	(20)	—	—	(20)
Net income attributable to noncontrolling interests	—	—	—	—	—	4	4
Issuance of additional common stock	2,044,122	—	92	—	—	—	92
Currency translation adjustment, net of tax	—	—	—	—	59	(6)	53
Postretirement benefit plans:						—	
Change in pension and other benefits, net of tax	—	—	—	—	(13)	—	(13)
Noncontrolling interests cash dividends	—	—	—	—	—	(1)	(1)
Balance as of March 31, 2008	77,459,658	—	3,497	(20)	46	149	3,672
Fiscal 2009 Activity:							
Net loss attributable to our common shareholder	—	—	—	(1,910)	—	—	(1,910)
Net loss attributable to noncontrolling interests	—	—	—	—	—	(12)	(12)
Currency translation adjustment, net of tax	—	—	—	—	(122)	(41)	(163)
Change in fair value of effective portion of hedges, net of tax	—	—	—	—	(19)	—	(19)
Postretirement benefit plans:							
Change in pension and other benefits, net of tax	—	—	—	—	(53)	—	(53)
Noncontrolling interests cash dividends	—	—	—	—	—	(6)	(6)
Balance as of March 31, 2009	77,459,658	$ —	$ 3,497	$ (1,930)	$ (148)	$ 90	$ 1,509

See accompanying notes to the consolidated financial statements.

Novelis Inc.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(in millions)

	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
	Successor	*Successor*	*Predecessor*	*Predecessor*	*Predecessor*
Net income (loss) attributable to our common shareholder	$ (1,910)	$ (20)	$ (97)	$ (64)	$ (275)
Other comprehensive income (loss):					
Currency translation adjustment	(122)	59	31	11	172
Change in fair value of effective portion of hedges, net	(30)	—	(1)	7	(46)
Postretirement benefit plans:					
Change in pension and other benefits	(84)	(17)	—	—	
Amortization of net actuarial loss	—	—	(1)	2	—
Change in minimum pension liability	—	—	—	—	16
Other comprehensive income (loss) before income tax effect	(236)	42	29	20	142
Income tax provision (benefit) related to items of other comprehensive income (loss)	(42)	(4)	(4)	5	8
Other comprehensive income (loss), net of tax	(194)	46	33	15	134
Comprehensive income (loss) attributable to our common shareholder	(2,104)	26	(64)	(49)	(141)
Net income (loss) attributable to noncontrolling interests	(12)	4	(1)	2	1
Other comprehensive income (loss):					
Currency translation adjustment	(41)	(6)	1	(1)	13
Other comprehensive income (loss), net of tax	(41)	(6)	1	(1)	13
Comprehensive income (loss) attributable to noncontrolling interests	(53)	(2)	—	1	14
Comprehensive income (loss)	$ (2,157)	$ 24	$ (64)	$ (48)	$ (127)

See accompanying notes to the consolidated financial statements.

Novelis Inc.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

References herein to "Novelis," the "Company," "we," "our," or "us" refer to Novelis Inc. and its subsidiaries unless the context specifically indicates otherwise. References herein to "Hindalco" refer to Hindalco Industries Limited. In October 2007, the Rio Tinto Group purchased all the outstanding shares of Alcan, Inc. References herein to "Alcan" refer to Rio Tinto Alcan Inc.

Organization and Description of Business

Novelis Inc., formed in Canada on September 21, 2004, and its subsidiaries, is the world's leading aluminum rolled products producer based on shipment volume. We produce aluminum sheet and light gauge products for the beverage and food can, transportation, construction and industrial, and foil products markets. As of March 31, 2009, we had operations on four continents: North America; South America; Asia; and Europe, through 32 operating plants and four research facilities in 11 countries. In addition to aluminum rolled products plants, our South American businesses include bauxite mining, alumina refining, primary aluminum smelting and power generation facilities that are integrated with our rolling plants in Brazil.

On May 18, 2004, Alcan announced its intention to transfer its rolled products businesses into a separate company and to pursue a spin-off of that company to its shareholders. The spin-off occurred on January 6, 2005, following approval by Alcan's board of directors and shareholders, and legal and regulatory approvals. Alcan shareholders received one Novelis common share for every five Alcan common shares held.

Acquisition of Novelis Common Stock and Predecessor and Successor Reporting

On May 15, 2007, the Company was acquired by Hindalco through its indirect wholly-owned subsidiary pursuant to a plan of arrangement (the Arrangement) at a price of $44.93 per share. The aggregate purchase price for all of the Company's common shares was $3.4 billion and Hindalco also assumed $2.8 billion of Novelis' debt for a total transaction value of $6.2 billion. Subsequent to completion of the Arrangement on May 15, 2007, all of our common shares were indirectly held by Hindalco.

Our acquisition by Hindalco was recorded in accordance with Staff Accounting Bulletin No. 103, *Push Down Basis of Accounting Required in Certain Limited Circumstances* (SAB 103). In the accompanying consolidated balance sheets, the consideration and related costs paid by Hindalco in connection with the acquisition have been "pushed down" to us and have been allocated to the assets acquired and liabilities assumed in accordance with Financial Accounting Standards Board (FASB) Statement No. 141, *Business Combinations* (FASB 141). Due to the impact of push down accounting, the Company's consolidated financial statements and certain note presentations separate the Company's presentation into two distinct periods to indicate the application of two different bases of accounting between the periods presented: (1) the periods up to, and including, the May 15, 2007 acquisition date (labeled "Predecessor") and (2) the periods after that date (labeled "Successor"). The accompanying consolidated financial statements include a black line division which indicates that the Predecessor and Successor reporting entities shown are not comparable.

Change in Fiscal Year End

On June 26, 2007, our board of directors approved the change of our fiscal year end to March 31 from December 31. On June 28, 2007, we filed a Transition Report on Form 10-Q for the three month period ended March 31, 2007 with the United States Securities and Exchange Commission (SEC) pursuant to Rule 13a-10 under the Securities Exchange Act of 1934 for transition period reporting. Accordingly, these consolidated financial statements present our financial position as of March 31, 2009 and 2008, and the results of our operations, cash flows and changes in shareholder's equity for the year ended March 31, 2009; the periods from May 16, 2007 through March 31, 2008 and from April 1, 2007 through May 15, 2007; the three months ended March 31, 2007 and the year ended December 31, 2006.

Consolidation Policy

Our consolidated financial statements include the assets, liabilities, revenues and expenses of all wholly-owned subsidiaries, majority-owned subsidiaries over which we exercise control, entities in which we have a controlling financial interest or are deemed to be the primary beneficiary. We eliminate all significant intercompany accounts and transactions from our financial statements.

We use the equity method to account for our investments in entities that we do not control, but where we have the ability to exercise significant influence over operating and financial policies. Consolidated net income (loss) attributable to our common shareholder includes our share of the net earnings (losses) of these entities. The difference between consolidation and the equity method impacts certain of our financial ratios because of the presentation of the detailed line items reported in the consolidated financial statements for consolidated entities, compared to a two-line presentation of equity method investments and net losses.

We use the cost method to account for our investments in entities that we do not control and for which we do not have the ability to exercise significant influence over operating and financial policies. These investments are recorded at the lower of their cost or fair value.

Use of Estimates and Assumptions

The preparation of our consolidated financial statements in conformity with accounting principles generally accepted in the United States (GAAP) requires us to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. The principal areas of judgment relate to (1) the fair value of derivative financial instruments; (2) impairment of goodwill; (3) impairments of long lived assets, intangible assets and equity investments; (4) actuarial assumptions related to pension and other postretirement benefit plans; (5) income tax reserves and valuation allowances and (6) assessment of loss contingencies, including environmental and litigation reserves. Future events and their effects cannot be predicted with certainty, and accordingly, our accounting estimates require the exercise of judgment. The accounting estimates used in the preparation of our consolidated financial statements will change as new events occur, as more experience is acquired, as additional information is obtained and as our operating environment changes. We evaluate and update our assumptions and estimates on an ongoing basis and may employ outside experts to assist in our evaluations. Actual results could differ from the estimates we have used.

Risks and Uncertainties

We are exposed to a number of risks in the normal course of our operations that could potentially affect our financial position, results of operations, and cash flows.

Laws and regulations

We operate in an industry that is subject to a broad range of environmental, health and safety laws and regulations in the jurisdictions in which we operate. These laws and regulations impose increasingly stringent environmental, health and safety protection standards and permitting requirements regarding, among other things, air emissions, wastewater storage, treatment and discharges, the use and handling of hazardous or toxic materials, waste disposal practices, the remediation of environmental contamination, post-mining reclamation and working conditions for our employees. Some environmental laws, such as the U.S. Comprehensive Environmental Response, Compensation, and Liability Act, also known as CERCLA or Superfund, and comparable state laws, impose joint and several liability for the cost of environmental remediation, natural resource damages, third party claims, and other expenses, without regard to the fault or the legality of the original conduct.

The costs of complying with these laws and regulations, including participation in assessments and remediation of contaminated sites and installation of pollution control facilities, have been, and in the future could be, significant. In addition, these laws and regulations may also result in substantial environmental liabilities associated with divested assets, third party locations and past activities. In certain instances, these costs and liabilities, as well as related action to be taken by us, could be accelerated or increased if we were to close, divest of or change the principal use of certain facilities with respect to which we may have environmental liabilities or remediation obligations. Currently, we are involved in a number of compliance efforts, remediation activities and legal proceedings concerning environmental matters, including certain activities and proceedings arising under U.S. Superfund and comparable laws in other jurisdictions where we have operations.

We have established reserves for environmental remediation activities and liabilities where appropriate. However, the cost of addressing environmental matters (including the timing of any charges related thereto) cannot be predicted with certainty, and these reserves may not ultimately be adequate, especially in light of potential changes in environmental conditions, changing interpretations of laws and regulations by regulators and courts, the discovery of previously unknown environmental conditions, the risk of governmental orders to carry out additional compliance on certain sites not initially included in remediation in progress, our potential liability to remediate sites for which provisions have not been previously established and the adoption of more stringent environmental laws. Such future developments could result in increased environmental costs and liabilities and could require significant capital expenditures, any of which could have a material adverse effect on our financial position or results of operations or cash flows. Furthermore, the failure to comply with our obligations under the environmental laws and regulations could subject us to administrative, civil or criminal penalties, obligations to pay damages or other costs, and injunctions or other orders, including orders to cease operations. In addition, the presence of environmental contamination at our properties could adversely affect our ability to sell a property, receive full value for a property or use a property as collateral for a loan.

Some of our current and potential operations are located or could be located in or near communities that may regard such operations as having a detrimental effect on their social and economic circumstances. Environmental laws typically provide for participation in permitting decisions, site remediation decisions and other matters. Concern about environmental justice issues may affect our operations. Should such community objections be presented to government officials, the consequences of such a development may have a material adverse impact upon the profitability or, in extreme cases, the viability of an operation. In addition, such developments may adversely affect our ability to expand or enter into new operations in such location or elsewhere and may also have an effect on the cost of our environmental remediation projects.

We use a variety of hazardous materials and chemicals in our rolling processes, as well as in our smelting operations in Brazil and in connection with maintenance work on our manufacturing facilities. Because of the nature of these substances or related residues, we may be liable for certain costs, including, among others, costs for health-related claims or removal or re-treatment of such substances. Certain of our current and former facilities incorporate asbestos-containing materials, a hazardous substance that has been the subject of health-related claims for occupation exposure. In addition, although we have developed environmental, health and safety programs for our employees, including measures to reduce employee exposure to hazardous substances, and conduct regular assessments at our facilities, we are currently, and in the future may be, involved in claims and litigation filed on behalf of persons alleging injury predominantly as a result of occupational exposure to substances at our current or former facilities. It is not possible to predict the ultimate outcome of these claims and lawsuits due to the unpredictable nature of personal injury litigation. If these claims and lawsuits, individually or in the aggregate, were finally resolved against us, our financial position, results of operations and cash flows could be adversely affected.

Materials and labor

In the aluminum rolled products industry, our raw materials are subject to continuous price volatility. We may not be able to pass on the entire cost of the increases to our customers or offset fully the effects of higher raw material costs, other than metal, through productivity improvements, which may cause our profitability to decline. In addition, there is a potential time lag between changes in prices under our purchase contracts and the point when we can implement a corresponding change under our sales contracts with our customers. As a result, we could be exposed to fluctuations in raw materials prices, including metal, since, during the time lag period, we may have to temporarily bear the additional cost of the change under our purchase contracts, which could have a material adverse effect on our financial position, results of operations and cash flows. Significant price increases may result in our customers' substituting other materials, such as plastic or glass, for aluminum or switch to another aluminum rolled products producer, which could have a material adverse effect on our financial position, results of operations and cash flows.

We consume substantial amounts of energy in our rolling operations, our cast house operations and our Brazilian smelting operations. The factors that affect our energy costs and supply reliability tend to be specific to each of our facilities. A number of factors could materially adversely affect our energy position including, but not limited to: (a) increases in the cost of natural gas; (b) increases in the cost of supplied electricity or fuel oil related to transportation; (c) interruptions in energy supply due to equipment failure or other causes and (d) the inability to extend energy supply contracts upon expiration on economical terms. A significant increase in energy costs or disruption of energy supplies or supply arrangements could have a material impact on our financial position, results of operations and cash flows.

Approximately 70% of our employees are represented by labor unions under a large number of collective bargaining agreements with varying durations and expiration dates. We may not be able to satisfactorily renegotiate our collective bargaining agreements when they expire. In addition, existing collective bargaining agreements may not prevent a strike or work stoppage at our facilities in the future, and any such work stoppage could have a material adverse effect on our financial position, results of operations and cash flows.

Geographic markets

We are, and will continue to be, subject to financial, political, economic and business risks in connection with our global operations. We have made investments and carry on production activities in various emerging markets, including Brazil, Korea and Malaysia, and we market our products in these countries, as well as China and certain other countries in Asia. While we anticipate higher growth or attractive production opportunities from these emerging markets, they also present a higher degree of risk than more developed markets. In addition to the business risks inherent in developing and servicing new markets, economic conditions may be more volatile, legal and regulatory systems less developed and predictable, and the possibility of various types of adverse governmental action more pronounced. In addition, inflation, fluctuations in currency and interest rates, competitive factors, civil unrest and labor problems could affect our revenues, expenses and results of operations. Our operations could also be adversely affected by acts of war, terrorism or the threat of any of these events as well as government actions such as controls on imports, exports and prices, tariffs, new forms of taxation, or changes in fiscal regimes and increased government regulation in the countries in which we operate or service customers. Unexpected or uncontrollable events or circumstances in any of these markets could have a material adverse effect on our financial position, results of operations and cash flows.

Other risks and uncertainties

In addition, refer to Note 17 — Fair Value of Assets and Liabilities and Note 20 — Commitments and Contingencies for a discussion of financial instruments and commitments and contingencies.

Reclassifications

Certain reclassifications of the prior period amounts and presentation have been made to conform to the presentation adopted for the current period.

The following reclassifications and presentation changes were made to the prior periods' consolidated balance sheet and consolidated statements of operations to conform to the current period presentation. These reclassifications had no effect on total assets, total shareholder's equity, net income (loss) attributable to our common shareholder or cash flows as previously presented:

- The current portion of liabilities related to the Fair value of derivative instruments were reclassified from Accrued expenses and other current liabilities to a separate line item.
- Restructuring charges, net were reclassified from Other (income) expenses, net to a separate line item.
- Interest income was reclassified from Interest expense and amortization of debt issuance costs to a separate line item.
- Sale transaction fees were reclassified from a separate line item to Other (income) expense, net.

In the consolidated balance sheet as of March 31, 2008, we reclassified $6 million from Current deferred income tax assets, $2 million from Accrued expenses and other current liabilities, and $53 million from Long-term deferred income tax liabilities to Goodwill due to a misclassification on the opening balance sheet of the Successor company. The impact of this reclassification increased total assets and total liabilities by $55 million, but had no effect on total shareholder's equity, net income (loss) attributable to our common shareholder or cash flows as previously presented and is not considered material to the March 31, 2008 financial statements.

Revenue Recognition

We recognize sales when the revenue is realized or realizable, and has been earned. We record sales when a firm sales agreement is in place, delivery has occurred and collectibility of the fixed or determinable sales price is reasonably assured.

We recognize product revenue, net of trade discounts and allowances, in the reporting period in which the products are shipped and the title and risk of ownership pass to the customer. We generally ship our product to our customers FOB (free on board) destination point. Our standard terms of delivery are included in our contracts of sale, order confirmation documents and invoices. We sell most of our products under contracts based on a "conversion premium," which is subject to periodic adjustments based on market factors. As a result, the aluminum price risk is largely absorbed by the customer. In situations where we offer customers fixed prices for future delivery of our products, we may enter into derivative instruments for all or a portion of the cost of metal inputs to protect our profit on the conversion of the product. In addition, certain of our sales contracts provide for a ceiling over which metal prices cannot contractually be passed through to our customers, unless adjusted. We partially mitigate the risk of this metal price exposure through the purchase of derivative instruments.

We record tolling revenue when the revenue is realized or realizable, and has been earned. Tolling refers to the process by which certain customers provide metal to us for conversion to rolled product. We do not take title to the metal and, after the conversion and return shipment of the rolled product to the customer, we charge them for the value-added conversion cost and record these amounts in Net sales.

Shipping and handling amounts we bill to our customers are included in Net sales and the related shipping and handling costs we incur are included in Cost of goods sold.

Cash and Cash Equivalents

Cash and cash equivalents includes investments that are highly liquid and have maturities of three months or less when purchased. The carrying values of cash and cash equivalents approximate their fair value due to the short-term nature of these instruments.

We maintain amounts on deposit with various financial institutions, which may, at times, exceed federally insured limits. However, management periodically evaluates the credit-worthiness of those institutions, and we have not experienced any losses on such deposits.

Accounts Receivable

Our accounts receivable are geographically dispersed. We do not obtain collateral relating to our accounts receivable. We do not believe there are any significant concentrations of revenues from any particular customer or group of customers that would subject us to any significant credit risks in the collection of our accounts receivable. We report accounts receivable at the estimated net realizable amount we expect to collect from our customers.

Additions to the allowance for doubtful accounts are made by means of the provision for doubtful accounts. We write-off uncollectible accounts receivable against the allowance for doubtful accounts after exhausting collection efforts.

For each of the periods presented, we performed an analysis of our historical cash collection patterns and considered the impact of any known material events in determining the allowance for doubtful accounts. In performing the analysis, the impact of any adverse changes in general economic conditions was considered, and for certain customers we reviewed a variety of factors including: past due receivables; macro-economic conditions; significant one-time events and historical experience. Specific reserves for individual accounts may be established due to a customer's inability to meet their financial obligations, such as in the case of bankruptcy filings or the deterioration in a customer's operating results or financial position. As circumstances related to customers change, we adjust our estimates of the recoverability of the accounts receivable.

Derivative Instruments

We utilize derivative instruments to manage our exposure to changes in commodity prices, foreign currency exchange rates and interest rates. The fair values of all derivative instruments are recognized as assets or liabilities at the balance sheet date. Changes in the fair value of these instruments are recognized as (Gain) loss on change in fair value of derivative instruments, net and included in our consolidated statements of operations or included in Accumulated other comprehensive income (loss) (AOCI) on our consolidated balance sheet, depending on the nature or use of the derivative and whether it qualifies for hedge accounting treatment under the provisions of FASB Statement No. 133, *Accounting for Derivative Instruments and Hedging Activities* (FASB 133), as amended.

Gains and losses on derivative instruments qualifying as cash flow hedges are included, to the extent the hedges are effective, in AOCI, until the underlying transactions are recognized as gains or losses and included in our consolidated statements of operations. Gains and losses on derivative instruments used as hedges of our net investment in foreign operations are included, net of taxes, to the extent the hedges are effective, in AOCI as part of the cumulative translation adjustment (CTA). The ineffective portions of cash flow hedges and hedges of net investments in foreign operations, if any, are recognized as gains or losses and included in our consolidated statements of operations, in (Gain) loss on change in fair value of derivative instruments, net in the current period.

Inventories

We carry our inventories at the lower of their cost or market value, reduced by reserves for excess and obsolete items. We use both the "average cost" and "first-in /first-out" methods to determine cost.

Property, Plant and Equipment

We report land, buildings, leasehold improvements and machinery and equipment at cost. We report assets under capital lease obligations at the lower of their fair value or the present value of the aggregate future minimum lease payments as of the beginning of the lease term. We depreciate our assets using the straight-line method over the shorter of the estimated useful life of the assets or the lease term, excluding any lease renewals, unless the lease renewals are reasonably assured. As a result of the Arrangement, land, building, leasehold improvements and machinery and equipment as of May 16, 2007 were adjusted to reflect fair value.

The ranges of estimated useful lives are as follows:

	Years
Buildings	30 to 40
Leasehold improvements	7 to 20
Machinery and equipment	5 to 25
Furniture, fixtures and equipment	3 to 10
Equipment under capital lease obligations	6 to 15

Maintenance and repairs of property and equipment are expensed as incurred. We capitalize replacements and improvements that increase the estimated useful life of an asset, and when material, we capitalize interest on major construction and development projects while in progress.

We retain fully depreciated assets in property and accumulated depreciation accounts until we remove them from service. In the case of sale, retirement or disposal, the asset cost and related accumulated depreciation balances are removed from the respective accounts, and the resulting net amount, less any proceeds, is included as a gain or loss in Other (income) expenses, net in our consolidated statements of operations.

We account for operating leases under the provisions of FASB Statement No. 13, *Accounting for Leases* (FASB 13), and FASB Technical Bulletin No. 85-3, *Accounting for Operating Leases with Scheduled Rent Increases.* These pronouncements require us to recognize escalating rents, including any rent holidays, on a straight-line basis over the term of the lease for those lease agreements where we receive the right to control the use of the entire leased property at the beginning of the lease term.

Goodwill

We account for goodwill under the guidance in FASB Statement No. 141, *Business Combinations* (FASB 141) and FASB Statement No. 142, *Goodwill and Other Intangible Assets* (FASB 142).

We test goodwill for impairment using a fair value approach at the reporting unit level. We use our operating segments as our reporting units. We test for impairment at least annually during the fourth quarter of each fiscal year, unless some triggering event occurs that would require an impairment assessment. In accordance with FASB 142, we concluded that events had occurred and circumstances had changed during our third quarter of fiscal 2009 requiring us to perform an interim period goodwill impairment test. See Note 3 — Impairment of Goodwill and Investment in Affiliate.

We use the present value of estimated future cash flows to establish the estimated fair value of our reporting units as of the testing dates. This approach includes many assumptions related to future growth rates, discount factors and tax rates, among other considerations. Changes in economic and operating conditions

impacting these assumptions could result in goodwill impairment in future periods. When available and as appropriate, we use comparative market multiples to corroborate the estimated fair value. If the carrying amount of a reporting unit's goodwill were to exceed its estimated fair value, we would recognize an impairment charge in Impairment of goodwill in our consolidated statements of operations.

When a business within a reporting unit is disposed of, goodwill is allocated to the gain or loss on disposition using the relative fair value methodology of FASB 142.

Long-Lived Assets and Other Intangible Assets

In accordance with FASB 142, we amortize the cost of intangible assets over their respective estimated useful lives to their estimated residual value.

Under the guidance in FASB Statement No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets,* we assess the recoverability of long-lived assets (excluding goodwill) and definite-lived intangible assets, whenever events or changes in circumstances indicate that we may not be able to recover the asset's carrying amount. We measure the recoverability of assets to be held and used by a comparison of the carrying amount of the asset (groups) to the expected, undiscounted future net cash flows to be generated by that asset (groups), or, for identifiable intangible assets, by determining whether the amortization of the intangible asset balance over its remaining life can be recovered through undiscounted future cash flows. The amount of impairment of identifiable intangible assets is based on the present value of estimated future cash flows. We measure the amount of impairment of other long-lived assets (excluding goodwill) as the amount by which the carrying value of the asset exceeds the fair value of the asset, which is generally determined as the present value of estimated future cash flows or as the appraised value. Impairments of long-lived assets have been included in Restructuring charges, net and Other income (expense), net in the consolidated statement of operations.

If the carrying amount of an intangible asset were to exceed its fair value, we would recognize an impairment charge in Other (income) expenses, net in our consolidated statements of operations. No impairments of other intangible assets have been identified during any of the periods presented.

We continue to amortize long-lived assets to be disposed of other than by sale. We carry long-lived assets to be disposed of by sale in our consolidated balance sheets at the lower of net book value or the fair value less cost to sell, and we cease depreciation.

Investment in and Advances to Non-Consolidated Affiliates

Management assesses the potential for other-than-temporary impairment of our equity method and cost method investments. We consider all available information, including the recoverability of the investment, the earnings and near-term prospects of the affiliate, factors related to the industry, conditions of the affiliate, and our ability, if any, to influence the management of the affiliate. We assess fair value based on valuation methodologies, as appropriate, including the present value of estimated future cash flows, estimates of sales proceeds, and external appraisals. If an investment is considered to be impaired and the decline in value is other than temporary, we record an appropriate write-down.

Guarantees

We account for certain guarantees in accordance with FASB Interpretation No. 45, *Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others* (FIN 45). FIN 45 requires that a guarantor recognize a liability for the fair value of obligations undertaken at the inception of a guarantee.

Financing Costs and Interest Income

We amortize financing costs and premiums, and accrete discounts, over the remaining life of the related debt using the "effective interest amortization" and straight-line methods. The related income or expense is included in Interest expense and amortization of debt issuance costs in our consolidated statements of operations. We record discounts or premiums as a direct deduction from, or addition to, the face amount of the financing.

Fair Value of Financial Instruments

FASB Statement No. 107, *Disclosures about Fair Value of Financial Instruments* (FASB 107), requires disclosures of the fair value of financial instruments. Our financial instruments include: cash and cash equivalents; certificates of deposit; accounts receivable; accounts payable; foreign currency, energy and interest rate derivative instruments; cross-currency swaps; metal option and forward contracts; related party notes receivable and payable; letters of credit; short-term borrowings and long-term debt.

The carrying amounts of cash and cash equivalents, certificates of deposit, accounts receivable, accounts payable and current related party notes receivable and payable approximate their fair value because of the short-term maturity and highly liquid nature of these instruments. The fair value of our letters of credit is deemed to be the amount of payment guaranteed on our behalf by third party financial institutions. We determine the fair value of our short-term borrowings and long-term debt based on various factors including maturity schedules, call features and current market rates. We also use quoted market prices, when available, or the present value of estimated future cash flows to determine fair value of short-term borrowings and long-term debt. When quoted market prices are not available for various types of financial instruments (such as currency, energy and interest rate derivative instruments, swaps, options and forward contracts), we use standard pricing models with market-based inputs, which take into account the present value of estimated future cash flows.

Pensions and Postretirement Benefits

We account for our pensions and other postretirement benefits in accordance with FASB Statements No. 158, *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans* (FASB 158), No. 87, *Employers' Accounting for Pensions*, and No. 106, *Employers' Accounting for Postretirement Benefits Other than Pensions*. We adopted FASB 158 for the year ended December 31, 2006. FASB 158 requires us to recognize the funded status of our benefit plans as a net asset or liability, with an offsetting adjustment to AOCI in shareholder's equity. The funded status is calculated as the difference between the fair value of plan assets and the benefit obligation. Prior to and including the three months ended March 31, 2007, we used a December 31 measurement date for our pension and postretirement plans. As a result of our acquisition by Hindalco and the application of push down accounting, our pension and postretirement plans were remeasured as of May 16, 2007. For the years ended March 31, 2009 and 2008, we used March 31 as the measurement date.

We use standard actuarial methods and assumptions to account for our pension and other postretirement benefit plans. Pension and postretirement benefit obligations are actuarially calculated using management's best estimates of expected service periods, salary increases and retirement ages of employees. Pension and postretirement benefit expense includes the actuarially computed cost of benefits earned during the current service period, the interest cost on accrued obligations, the expected return on plan assets based on fair market value and the straight-line amortization of net actuarial gains and losses and adjustments due to plan amendments. Generally, all net actuarial gains and losses are amortized over the expected average remaining service lives of plan participants.

Our pension obligations relate to funded defined benefit pension plans in the U.S., Canada, Switzerland and the U.K., unfunded pension plans in Germany, and unfunded lump sum indemnities in France, South Korea, Malaysia and Italy. Our other postretirement obligations include unfunded healthcare and life insurance benefits provided to retired employees in Canada, the U.S. and Brazil.

Noncontrolling Interests in Consolidated Affiliates

These financial statements reflect the retrospective application of FASB Statement No. 160, *Noncontrolling Interests in Consolidated Financial Statements* (FASB 160) for all periods presented. FASB 160 establishes accounting and reporting standards that require: (i) the ownership interest in subsidiaries held by parties other than the parent to be clearly identified and presented in the condensed consolidated balance sheet within shareholder's equity, but separate from the parent's equity; (ii) the amount of consolidated net income attributable to the parent and the noncontrolling interest to be clearly identified and presented on the face of the consolidated statement of operations and (iii) changes in a parent's ownership interest while the parent retains its controlling financial interest in its subsidiary to be accounted for consistently.

Our consolidated financial statements include all assets, liabilities, revenues and expenses of less-than- 100%-owned affiliates that we control or for which we are the primary beneficiary. We record a noncontrolling interest for the allocable portion of income or loss to which the noncontrolling interest holders are entitled based upon their ownership share of the affiliate. Distributions made to the holders of noncontrolling interests are charged to the respective noncontrolling interest balance.

Losses attributable to the noncontrolling interest in an affiliate may exceed our interest in the affiliate's equity. The excess, and any further losses attributable to the noncontrolling interest, shall be attributed to those interests. The noncontrolling interest shall continue to be attributed its share of losses even if that attribution results in a deficit noncontrolling interest balance. As of March 31, 2009, we have no such losses.

Environmental Liabilities

We record accruals for environmental matters when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated, based on current law and existing technologies. We adjust these accruals periodically as assessment and remediation efforts progress or as additional technical or legal information become available. Accruals for environmental liabilities are stated at undiscounted amounts. Environmental liabilities are included in our consolidated balance sheets in Accrued expenses and other current liabilities and Other long-term liabilities, depending on their short- or long-term nature. Any receivables for related insurance or other third party recoveries for environmental liabilities are recorded when it is probable that a recovery will be realized and are included in our consolidated balance sheets in Prepaid expenses and other current assets.

Costs related to environmental contamination treatment and clean-up are charged to expense. Estimated future incremental operations, maintenance and management costs directly related to remediation are accrued in the period in which such costs are determined to be probable and estimable.

Litigation Reserves

FASB Statement No. 5, *Accounting for Contingencies,* requires that we accrue for loss contingencies associated with outstanding litigation, claims and assessments for which management has determined it is probable that a loss contingency exists and the amount of loss can be reasonably estimated. We expense professional fees associated with litigation claims and assessments as incurred.

Income Taxes

We provide for income taxes using the asset and liability method as required by FASB Statement No. 109, *Accounting for Income Taxes* (FASB 109). This approach recognizes the amount of income taxes payable or refundable for the current year, as well as deferred tax assets and liabilities for the future tax consequence of events recognized in the consolidated financial statements and income tax returns. Deferred income tax assets and liabilities are adjusted to recognize the effects of changes in tax laws or enacted tax rates. Under FASB 109, a valuation allowance is required when it is more likely than not that some portion of the deferred tax assets will not be realized. Realization is dependent on generating sufficient future taxable income.

Share-Based Compensation

On January 1, 2006, we adopted FASB Statement No. 123 (Revised), *Share-Based Payment* (FASB 123(R)), which is a revision to FASB Statement No. 123. FASB 123(R) requires the recognition of compensation expense for a share-based award over an employee's requisite service period based on the award's grant date fair value, subject to adjustment.

We adopted FASB 123(R) using the modified prospective method, which requires companies to record compensation cost beginning with the effective date based on the requirements of FASB 123(R) for all share-based payments granted after the effective date. All awards granted to employees prior to the effective date of FASB 123(R) that remain unvested at the adoption date will continue to be expensed over the remaining service period. Additionally, we determined that all of our compensation plans settled in cash are considered liability based awards. As such, liabilities for awards under these plans are required to be measured at each reporting date until the date of settlement. Various valuation methods were used to determine the fair value of these awards.

Cash flows resulting from tax benefits for deductions in excess of compensation cost recognized are classified within financing cash flows.

Foreign Currency Translation

In accordance with FASB Statement No. 52, *Foreign Currency Translation*, the assets and liabilities of foreign operations, whose functional currency is other than the U.S. dollar (located in Europe and Asia), are translated to U.S. dollars at the period end exchange rates and revenues and expenses are translated at average exchange rates for the period. Differences arising from the translation of assets and liabilities are included in the currency translation adjustment (CTA) component of accumulated other comprehensive income. If there is a reduction in our ownership in a foreign operation, the relevant portion of the CTA is recognized in Other (income) expenses, net.

For all operations, the remeasurement of monetary items denominated in currencies other than the functional currency produce transaction gains and losses. For these operations, the monetary items denominated in currencies other than the functional currency are remeasured at period exchange rates and transaction gains and losses are included in Other (income) expenses, net in our consolidated statements of operations. Non-monetary items are remeasured at historical rates.

Research and Development

We incur costs in connection with research and development programs that are expected to contribute to future earnings, and charge such costs against income as incurred. Research and development costs consist primarily of salaries and administrative costs.

Restructuring Activities

Restructuring charges, net include employee severance and benefit costs, impairments of assets, and other costs associated with exit activities. We apply the provisions of FASB Statement No. 146, *Accounting for Costs Associated with Exit or Disposal Activities* (FASB 146) relating to one-time termination benefits. Severance costs accounted for under FASB 146 are recognized when management with the proper level of authority has committed to a restructuring plan and communicated those actions to employees. Impairment losses are based upon the estimated fair value less costs to sell, with fair value estimated based on existing market prices for similar assets. Other exit costs include environmental remediation costs and contract termination costs, primarily related to equipment and facility lease obligations. At each reporting date, we evaluate the accruals for restructuring costs to ensure the accruals are still appropriate.

Recently Adopted Accounting Standards

The following accounting standards have been adopted by us during the twelve months ended March 31, 2009.

During the quarter ended March 31, 2009, we adopted FASB Statement No. 161, *Disclosures about Derivative Instruments and Hedging Activities, an amendment of FASB Statement No. 133* (FASB 161). FASB 161 changes the disclosure requirements for derivative instruments and hedging activities. Entities are required to provide enhanced disclosures about (i) how and why an entity uses derivative instruments, (ii) how derivative instruments and related hedged items are accounted for under FASB 133 and its related interpretations and (iii) how derivative instruments and related hedged items affect an entity's financial position, results of operations and cash flows. This standard had no impact on our consolidated financial position, results of operations and cash flows.

During the quarter ended December 31, 2008, we adopted FASB Staff Position (FSP) No. FAS 140-4 and FASB Interpretation No. 46(R)-8 (FIN 46(R)-8), *Disclosures by Public Entities (Enterprises) about Transfers of Financial Assets and Interests in Variable Interest Entities.* FIN 46(R)-8 calls for enhanced disclosures by public entities about interests in variable interest entities (VIE) and provides users of the financial statements with greater transparency about an enterprise's involvement with variable interest entities. This FSP had no impact on our consolidated financial position, results of operation and cash flows.

On April 1, 2008, we adopted FASB Statement No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities — including an amendment of FASB Statement No. 115* (FASB 159). FASB 159 permits entities to choose to measure financial instruments and certain other assets and liabilities at fair value on an instrument-by-instrument basis (the "fair value option") with changes in fair value reported in earnings each reporting period. The fair value option enables some companies to reduce the volatility in reported earnings caused by measuring related assets and liabilities differently without applying the complex hedge accounting requirements under FASB 133, to achieve similar results. We previously recorded our derivative contracts and hedging activities at fair value in accordance with FASB 133. We did not elect the fair value option for any other financial instruments or certain other financial assets and liabilities that were not previously required to be measured at fair value.

On April 1, 2008, we adopted FASB Statement No. 157, *Fair Value Measurements* (FASB 157), as it relates to financial assets and financial liabilities. On October 10, 2008, we adopted FASB Staff Position FAS 157-3, *Determining the Fair Value of a Financial Asset When the Market for That Asset Is Not Active* (FSP FAS 157-3). The FSP clarifies the application of FASB 157 in a market that is not active and provides an example to illustrate key considerations in determining the fair value of a financial asset when the market for that financial asset is not active. FSP FAS 157-3 is effective for prior periods for which financial statements have not been issued. This standard had no impact on our consolidated financial position, results of operation and cash flows. See Note 17 — Fair Value of Assets and Liabilities regarding our adoption of this standard.

On April 1, 2008, we adopted FASB Staff Position No. FIN 39-1, *Amendment of FASB Interpretation No. 39*, (FSP FIN 39-1). FSP FIN 39-1 amends FASB Statement No. 39, *Offsetting of Amounts Related to Certain Contracts*, by permitting entities that enter into master netting arrangements as part of their derivative transactions to offset in their financial statements net derivative positions against the fair value of amounts (or amounts that approximate fair value) recognized for the right to reclaim cash collateral or the obligation to return cash collateral under those arrangements. Our adoption of this standard did not have a material impact on our consolidated financial position, results of operations and cash flows.

Recently Issued Accounting Standards

The following new accounting standards have been issued, but have not yet been adopted by us as of March 31, 2009, as adoption is not required until future reporting periods.

In April 2009, the FASB issued FASB Staff Position No. 107-1 (FSP FAS 107-1) and APB Opinion 28-1 (APB 28-1), *Interim Disclosures about Fair Value of Financial Instruments*. FSP FAS 107-1 and APB 28-1 amends FASB 107 and APB Opinion No. 28, *Interim Financial Reporting*, to require disclosures about the fair value of financial instruments for interim reporting periods. FSP FAS 107-1 and APB 28-1 will be effective for interim reporting periods ending after June 15, 2009. As FSP FAS 107-1 and APB 28-1 only require enhanced disclosures, they will have no impact on our consolidated financial position, results of operation and cash flows.

In April 2009, the FASB issued FASB Staff Position No. 157-4, *Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly* (FSP FAS 157-4). FSP FAS 157-4 provides additional guidance in accordance with FASB No. 157, *Fair Value Measurements*, when the volume and level of activity for the asset or liability has significantly decreased. FSP FAS 157-4 will be effective for interim and annual reporting periods ending after June 15, 2009. This standard will have no impact our consolidated financial position, results of operations and cash flows.

In April 2009, the FASB issued FASB Staff Position No. 115-2 (FSP FAS 115-2) and FASB Staff Position No. 124-2 (FSP FAS 124-2), *Recognition of Other-than-Temporary-Impairments.* FSP FAS No. 115-2 and FSP FAS No. 124-2 amends the other-than-temporary impairment guidance in U.S. GAAP for debt and equity securities. FSP FAS No. 115-2 and FSP FAS No. 124-2 will be effective for interim and annual reporting periods ending after June 15, 2009. This standard will have no impact our consolidated financial position, results of operations and cash flows.

In December 2008, the FASB issued FSP No. 132(R)-1, *Employers' Disclosures about Pensions and Other Postretirement Benefits* (FSP No. 132(R)-1). FSP No. 132(R)-1 requires that an employer disclose the following information about the fair value of plan assets: 1) how investment allocation decisions are made, including the factors that are pertinent to understanding of investment policies and strategies; 2) the major categories of plan assets; 3) the inputs and valuation techniques used to measure the fair value of plan assets; 4) the effect of fair value measurements using significant unobservable inputs on changes in plan assets for the period; and 5) significant concentrations of risk within plan assets. FSP No. 132(R)-1 will be effective for fiscal years ending after December 15, 2009, with early application permitted. At initial adoption, application of FSP No. 132(R)-1 would not be required for earlier periods that are presented for comparative purposes. This standard will have no impact on our consolidated financial position, results of operations and cash flows.

In November 2008, the Emerging Issues Task Force (EITF) issued Issue No. 08-06, *Equity Method Investment Accounting Considerations* (EITF 08-06). EITF 08-6 address questions that have arisen about the application of the equity method of accounting for investments acquired after the effective date of both FASB 141(R) and FASB Statement No. 160, *Noncontrolling Interests in Consolidated Financial Statements.* EITF 08-06 clarifies how to account for certain transactions involving equity method investments. EITF 08-6 is effective on a prospective basis for fiscal years beginning after December 15, 2008, with early adoption prohibited. This standard will have no impact our consolidated financial position, results of operations and cash flows.

In April 2008, the FASB issued Staff Position No. FAS 142-3, *Determination of Useful Life of Intangible Assets* (FSP FAS 142-3). FSP FAS 142-3 amends the factors that should be considered in developing the renewal or extension assumptions used to determine the useful life of a recognized intangible asset under FASB 142. FSP FAS 142-3 also requires expanded disclosure related to the determination of intangible asset useful lives. FSP FAS 142-3 is effective for fiscal years beginning after December 15, 2008. Earlier adoption is prohibited. We have not yet commenced evaluating the potential impact, if any, of the adoption of FSP FAS 142-3 on our consolidated financial position, results of operations and cash flows.

In December 2007, the FASB issued Statement No. 141 (Revised), *Business Combinations* (FASB 141(R)). FASB 141(R) establishes principles and requirements for how the acquirer in a business combination (i) recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree, (ii) recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase, and (iii) determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. FASB 141(R) also requires acquirers to estimate the acquisition-date fair value of any contingent consideration and to recognize any subsequent changes in the fair value of contingent consideration in earnings. We will be required to apply this new standard prospectively to business combinations occurring after March 31, 2009, with the exception of the accounting for valuation allowances on deferred taxes and acquired tax contingencies. FASB 141(R) amends certain provisions of FASB 109 such that adjustments made to valuation allowances on deferred taxes and acquired tax contingencies associated with acquisitions that closed prior to the effective date of FASB 141(R) would also apply the provisions of FASB 141(R). Early adoption is prohibited.

We have determined that all other recently issued accounting standards will not have a material impact on our consolidated financial position, results of operations or cash flows, or do not apply to our operations.

2. LIQUIDITY

We believe we have adequate liquidity to meet our operational and capital requirements for the foreseeable future. Our primary sources of liquidity are available cash and cash equivalents, borrowing availability under our revolving credit facility and future cash generated by operating activities. During the first nine months of fiscal 2009, our liquidity position decreased significantly as the global recession led to a rapid decline in aluminum prices and end-customer demand for flat-rolled products. However, we believe aluminum prices have stabilized and that there is limited risk of further significant volume declines in fiscal 2010 due to the volume of our sales into the beverage can sheet market. We had stable liquidity in the fourth quarter of fiscal 2009 and expect to operate with positive cash flow in 2010, despite continued low levels of demand and net cash outflows to settle derivative positions. This reflects our ongoing efforts to preserve liquidity through cost and capital spending controls and effective management of working capital. Risks associated with supplier terms, customer credit and broker hedging capacity, while still present to some degree, have been managed to date with minimal negative impact on our business. Although there can be no assurances that further deterioration in global market conditions would not negatively impact our liquidity in 2010, we believe that our liquidity position will improve during fiscal 2010, due primarily to expected reduced cash outflows for metal derivatives and cash savings from previously-announced restructuring programs.

3. IMPAIRMENT OF GOODWILL AND INVESTMENT IN AFFILIATE

In accordance with FASB 142, we evaluate the carrying value of goodwill for potential impairment annually during the fourth quarter of each fiscal year or on an interim basis if an event occurs or circumstances change that indicate that the fair value of a reporting unit is likely to be below its carrying value. During the third quarter of fiscal 2009, we concluded that interim impairment testing was required due to the recent deterioration in the global economic environment and the resulting significant decrease in both the market capitalization of our parent company and the valuation of our publicly traded 7.25% Senior Notes.

We test consolidated goodwill for impairment using a fair value approach at the reporting unit level. We use our operating segments as our reporting units and perform our goodwill impairment test in two steps. Step one compares the fair value of each reporting unit (operating segment) to its carrying amount. If step one indicates that an impairment potentially exists, the second step is performed to measure the amount of impairment, if any. Goodwill impairment exists when the estimated fair value of goodwill is less than its carrying value.

Quarter Ended December 31, 2008 Impairment Testing

For purposes of our step one analysis, our estimate of fair value of each reporting unit is based on a combination of (1) quoted market prices/relationships (the market approach), (2) discounted cash flows (the income approach) and (3) a stock price build-up approach (the build-up approach). Under the market approach, the fair value of each reporting unit was determined based upon comparisons to public companies engaged in similar businesses. Under the income approach, the fair value of each reporting unit was based on the present value of estimated future cash flows. The income approach is dependent on a number of significant management assumptions including estimated demand in each geographic market, future LME prices and the discount rate. The discount rate is commensurate with the risk inherent in the projected cash flows and reflects the rate of return required by an investor in the current economic conditions. Under the build-up approach, which is a variation of the market approach, we estimated the fair value of each reporting unit based on the estimated contribution of each of the reporting units to Hindalco's total business enterprise value. The estimated fair value for each reporting unit was within the range of fair values yielded under each approach. The result of our step one test indicated a potential impairment.

For our reporting units in North America, Europe and South America, we proceeded to step two for the goodwill impairment calculation in which we determined the implied fair value of the goodwill and compared it to the carrying value of the goodwill. We allocated the fair value of the reporting unit to all of its assets and liabilities as if the reporting unit has been acquired and the fair value was the price paid to acquire each reporting unit. The excess of the fair value of the reporting unit over the amounts assigned to the assets and liabilities is the implied fair value of the reporting unit's goodwill. Step two was not performed for Asia as no goodwill has been allocated to this reporting unit.

As a result of our step two evaluation, we recorded a $1.34 billion impairment charge in the quarter ended December 31, 2008. We finalized our interim goodwill impairment test in the fourth quarter which resulted in no adjustment to the charge as recorded.

We also evaluated the carrying value of our investment in Aluminium Norf GmbH for impairment. This resulted in an impairment charge of $160 million, which is reported in Equity in net (income) loss of non-consolidated affiliates on the consolidated statement of operations.

Year End Impairment Testing

Our annual goodwill impairment test was performed in the fourth quarter and no additional impairment was identified. The table below summarizes goodwill by reporting unit (in millions).

Reporting Unit	March 31, 2008(A)	Impairments	Other Adjustments(B)	March 31, 2009
	Successor			*Successor*
North America	$ 1,149	$ (860)	$ (1)	$ 288
Europe	518	(330)	(7)	181
South America	263	(150)	—	113
	$ 1,930	$ (1,340)	$ (8)	$ 582

(A) See Note 1 — Business and Summary of Significant Accounting Policies (Reclassifications) for discussion of goodwill balance reclassification at March 31, 2008.

(B) Other adjustments include: (1) an adjustment in North America for final payment related to the transfer of pension plans in Canada for employees who elected to transfer their past service to Novelis during the quarter ended June 30, 2008 and (2) adjustments in Europe related to tax audits during the year ended March 31, 2009.

4. RESTRUCTURING PROGRAMS

The following table summarizes the restructuring activity by region (in millions). Restructuring charges, net on the consolidated statement of operations for the year ended March 31, 2009 of $95 million include $22 million of non-cash charges related to restructuring actions in Europe and Asia, discussed below.

	Europe	North America	Asia	South America	Corporate	Restructuring Reserves
Predecessor						
Balance as of December 31, 2006	$ 33	$ —	$ —	$ —	$ 1	$ 34
January 1, 2007 to March 31, 2007 Activity:						
Provisions (recoveries), net	9	—	—	—	—	9
Cash payments	(5)	—	—	—	(1)	(6)
Adjustments — other	(1)	—	—	—	—	(1)
Balance as of March 31, 2007	36	—	—	—	—	36
April 1, 2007 to May 15, 2007 Activity:						
Provisions (recoveries), net	1	—	—	—	—	1
Cash payments	(1)	—	—	—	—	(1)
Adjustments — other	1	—	—	—	—	1
Balance as of May 15, 2007	37	—	—	—	—	37
Successor						
May 16, 2007 to March 31, 2008 Activity:						
Provisions (recoveries), net	2	4	—	—	—	6
Cash payments	(20)	—	—	—	—	(20)
Adjustments — other	1	—	—	—	—	1
Balance as of March 31, 2008	20	4	—	—	—	24
Fiscal 2009 Activity:						
Provisions (recoveries), net	53	16	1	2	1	73
Cash payments	(8)	(5)	(1)	—	—	(14)
Adjustments — other	(4)	1	—	—	—	(3)
Balance as of March 31, 2009	$ 61	$ 16	$ —	$ 2	$ 1	$ 80

Year Ended March 31, 2009 Restructuring Activities

Europe

In March 2009, we announced the closure of our aluminum sheet mill in Rogerstone, South Wales, U.K. Operations ceased in April 2009, resulting in the elimination of 440 positions. For the year ended March 31, 2009, we recorded approximately $20 million in severance-related costs, $20 million in environmental remediation expenses and $3 million in other exit related costs. Environmental liabilities are projected to be settled through April 2011.

Also related to the Rogerstone closure, we recorded $12 million in non-cash fixed asset impairments, an $8 million write-down of parts and supplies and a $3 million reduction to reserves associated with an

unfavorable contract established as part of the Arrangement. These restructuring charges are not included in the restructuring provision table above but have been reflected as reductions to the respective balance sheet account.

In March 2009, we announced a restructuring plan to streamline our operations at our Rugles facility located in Upper Normandy, France, which eliminates approximately 80 positions. The facility will continue operation of its five major processes, including continuous casting, breakdown/foilstock, rolling, grinding and finishing. For the year ended March 31, 2009, we recorded $9 million in severance-related costs.

In March 2009, we recorded $1 million in severance costs at our Ohle, Germany facility related to the elimination of 13 positions.

North America

In November 2008, we announced a Voluntary Separation Program (VSP) available to salaried employees in North America and the Corporate office aimed at reducing staff levels. This VSP supplemented a pre-existing Involuntary Severance Program (ISP). We eliminated approximately 120 positions for the year ended March 31, 2009, and recorded $16 million in severance-related costs for the VSP and ISP programs.

South America

In January 2009, we announced that we will cease production of alumina at our Ouro Preto facility in Brazil effective May 2009. The global economic crisis and the recent dramatic drop in alumina prices have made alumina production at Ouro Preto economically unfeasible. For the foreseeable future, the Ouro Preto facility will purchase alumina through third-parties. Approximately 290 positions were eliminated at Ouro Preto, including 150 employees and 140 contractors. For the year ended March 31, 2009, we recorded approximately $2 million in severance-related costs. Other exit costs include less than $1 million related to the idling of the refinery. Other activities related to the facility, including electric power generation and the production of primary aluminum, will continue unaffected.

Asia

In February 2009, we recorded approximately $1 million in severance-related costs related to a voluntary retirement program in Asia which eliminated 34 positions. Also, during the year ended March 31, 2009, we recorded an impairment charge of approximately $5 million in Novelis Korea due to the obsolescence of certain production related fixed assets. These restructuring charges are not included in the restructuring provision table above but have been reflected as reductions to the respective balance sheet account.

Year Ended March 31, 2008 Restructuring Activities

North America

In March 2008, management approved the closure of our light gauge converter products facility in Louisville, Kentucky. The closure is intended to bring the capacity of our North American operations in line with local market demand. As a result of the closure, we recognized approximately $5 million in restructuring charges during the quarter ended March 31, 2008. Our Louisville facility closed in June 2008.

Three Months Ended March 31, 2007 Restructuring Activities

Europe

In March 2007, management approved the proposed restructuring of our facilities in Bridgnorth, U.K. These proposed actions were intended to bring the capacity of our U.K. operations in line with local market demand and to reduce the cost of our U.K. operations. Certain production lines were shut down in the U.K.

and volume was relocated to other European plants. For the three months ended March 31, 2007, we recognized approximately $8 million each in impairment charges on long-lived assets in the U.K. that will no longer be used and severance costs.

Year Ended December 31, 2006 Restructuring Activities

Europe

In December 2006, we announced several restructuring actions at our facilities in the U.K., Germany, France and Italy. These actions are intended to streamline the management of these operations. We incurred $2 million in severance-related costs through December 31, 2006 in connection with these programs. We incurred no additional costs related to these programs and we completed all actions by March 2008.

In August 2006, we announced a restructuring of our European central management and administration activities in Zurich, Switzerland to reduce overhead costs and streamline support functions. In addition, we exited our Neuhausen research and development center in Switzerland. Through March 31, 2008, we completed this action and incurred costs of approximately $4 million.

In July 2006, we announced restructuring actions at our Goettingen facility in Germany to reduce overhead administrative costs and streamline functions. We incurred approximately $5 million related primarily to severance costs through December 31, 2006. As of March 31, 2009, we have completed this action and have not incurred significant additional costs.

In March 2006, we announced the restructuring of our European operations, with the reorganization of our plants in Ohle and Ludenscheid, Germany, including the closing of two non-core business lines located within those facilities. In connection with the reorganization of our Ohle and Ludenscheid plants, we incurred costs of approximately $5 million during the year ended December 31, 2006. We do not anticipate future costs related to these programs to be significant and expect all obligations to be fulfilled by December 2011.

North America

In December 2006, we announced the closing of our Montreal planning office. We incurred approximately $1 million of severance-related costs through December 31, 2006. Through March 31, 2008, we completed this action and incurred no additional costs.

5. ACCOUNTS RECEIVABLE

Accounts receivable consists of the following (in millions).

	March 31,	
	2009	2008
	Successor	*Successor*
Trade accounts receivable	$ 1,002	$ 1,160
Other accounts receivable	49	89
Accounts receivable — third parties	1,051	1,249
Allowance for doubtful accounts — third parties	(2)	(1)
	1,049	1,248
Other accounts receivable — related parties	25	31
Accounts receivable, net	$ 1,074	$ 1,279

Allowance for Doubtful Accounts

The allowance for doubtful accounts is management's best estimate of probable losses inherent in the accounts receivable balance. Management determines the allowance based on known uncollectible accounts, historical experience and other currently available evidence. As of March 31, 2009 and 2008, our allowance for doubtful accounts represented approximately 0.2% and 0.1%, respectively, of gross accounts receivable.

Activity in the allowance for doubtful accounts is as follows (in millions).

	Balance at Beginning of Period	Additions Charged to Expense	Accounts Recovered/ (Written-Off)	Foreign Exchange and Other	Balance at End of Period
Predecessor					
Year Ended December 31, 2006	$ 26	$ 4	$ (4)	$ 3	$ 29
Three Months Ended March 31, 2007	$ 29	$ —	$ —	$ —	$ 29
April 1, 2007 Through May 15, 2007	$ 29	$ —	$ (2)	$ 1	$ 28
Successor					
May 16, 2007 Through March 31, 2008	$ —	$ 1	$ —	$ —	$ 1
Year Ended March 31, 2009	$ 1	$ 2	$ (1)	$ —	$ 2

Forfaiting of Trade Receivables

Novelis Korea Ltd. forfaits trade receivables in the ordinary course of business. These trade receivables are typically outstanding for 60 to 120 days. Forfaiting is a non-recourse method to manage credit and interest rate risks. Under this method, customers contract to pay a financial institution. The institution assumes the risk of non-payment and remits the invoice value (net of a fee) to us after presentation of a proof of delivery of goods to the customer. We do not retain a financial or legal interest in these receivables, and they are not included in the accompanying consolidated balance sheets. Forfaiting expenses are included in Selling, general and administrative expenses in our consolidated statements of operations.

Factoring of Trade Receivables

Our Brazilian operations factor, without recourse, certain trade receivables that are unencumbered by pledge restrictions. Under this method, customers are directed to make payments on invoices to a financial institution, but are not contractually required to do so. The financial institution pays us any invoices it has approved for payment (net of a fee). We do not retain financial or legal interest in these receivables, and they are not included in the accompanying consolidated balance sheets. Factoring expenses are included in Selling, general and administrative expenses in our consolidated statements of operations.

Summary Disclosures of Financial Amounts

The following tables summarize amounts relating to our forfaiting and factoring activities (in millions).

	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
	Successor	*Successor*	*Predecessor*	*Predecessor*	*Predecessor*
Receivables forfaited	$ 570	$ 507	$ 51	$ 68	$ 424
Receivables factored	$ 70	$ 75	$ —	$ 18	$ 71
Forfaiting expense	$ 5	$ 6	$ 1	$ 1	$ 5
Factoring expense	$ 1	$ 1	$ —	$ —	$ 1

	March 31,	
	2009	2008
	Successor	*Successor*
Forfaited receivables outstanding	$ 71	$ 149
Factored receivables outstanding	$ —	$ —

6. INVENTORIES

Inventories consist of the following (in millions).

	March 31,	
	2009	2008
	Successor	*Successor*
Finished goods	$ 215	$ 381
Work in process	296	638
Raw materials	207	362
Supplies	79	75
	797	1,456
Allowances	(4)	(1)
Inventories	$ 793	$ 1,455

7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, net, consists of the following (in millions).

	As of March 31,	
	2009	2008
	Successor	*Successor*
Land and property rights	$ 213	$ 258
Buildings	760	826
Machinery and equipment	2,495	2,460
	3,468	3,544
Accumulated depreciation and amortization	(741)	(331)
	2,727	3,213
Construction in progress	72	144
Property, plant and equipment, net	$ 2,799	$ 3,357

Due to the assignment of new fair values as a result of the Arrangement, we have no fully depreciated assets included in our consolidated balance sheet as of March 31, 2009 and 2008.

Total depreciation expense is shown in the table below (in millions). Capitalized interest related to construction of property, plant and equipment was immaterial in the periods presented.

	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
	Successor	*Successor*	*Predecessor*	*Predecessor*	*Predecessor*
Depreciation expense related to property, plant and equipment	$ 398	$ 338	$ 28	$ 58	$ 231

Asset impairments

During the year ended March 31, 2009, we recorded $1 million of impairment charges, which is included in Other (income) expense, net on the consolidated statement of operations. We also recorded impairment charges totaling $17 million related to assets in Europe and Asia which have been included in Restructuring charges, net on the consolidated statement of operations (see Note 4 — Restructuring Programs).

During the period from May 16, 2007 through March 31, 2008, we recorded an impairment charge of $1 million in Novelis Italy due to the obsolescence of certain production related fixed assets.

Leases

We lease certain land, buildings and equipment under non-cancelable operating leases expiring at various dates through 2015, and we lease assets in Sierre, Switzerland including a 15-year capital lease through 2020 from Alcan. Operating leases generally have five to ten-year terms, with one or more renewal options, with terms to be negotiated at the time of renewal. Various facility leases include provisions for rent escalation to recognize increased operating costs or require us to pay certain maintenance and utility costs.

The following table summarizes rent expense included in our consolidated statements of operations (in millions):

	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
	Successor	*Successor*	*Predecessor*	*Predecessor*	*Predecessor*
Rent expense	$ 25	$ 27	$ 3	$ 4	$ 22

Future minimum lease payments as of March 31, 2009, for our operating and capital leases having an initial or remaining non-cancelable lease term in excess of one year are as follows (in millions). The future minimum lease payments for capital lease obligations exclude $3 million of unamortized fair value adjustments recorded as a result of the Arrangement (see Note 12 — Debt in the accompanying consolidated financial statements).

Year Ending March 31,	Operating Leases	Capital Lease Obligations
2010	$ 19	$ 7
2011	16	7
2012	14	7
2013	13	7
2014	11	6
Thereafter	23	34
Total minimum lease payments	$ 96	68
Less: interest portion on capital lease		(21)
Principal obligation on capital leases		$ 47

Assets and related accumulated amortization under capital lease obligations as of March 31, 2009 and 2008 are as follows (in millions).

	March 31,	
	2009 *Successor*	2008 *Successor*
Assets under capital lease obligations:		
Buildings	$ 9	$ 13
Machinery and equipment	63	55
	72	68
Accumulated amortization	(19)	(17)
	$ 53	$ 51

Sale of assets

There were no material sales of fixed assets during the year ended March 31, 2009. During March 2008, we sold land at our Kingston facility in Ontario, Canada for $5 million. No gain or loss was recognized on the sale. During the year ended December 31, 2006, we sold our rights to develop and operate two hydroelectric power plants in South America and recorded a pre-tax gain of approximately $11 million, included in *Other (income) expenses, net* in our consolidated statements of operations.

Asset Retirement Obligations

The following is a summary of our asset retirement obligation activity. The period-end balances are included in Other long-term liabilities in our consolidated balance sheets (in millions).

Predecessor	
Asset retirement obligation as of December 31, 2006	$ 13
Liability incurred	1
Liability settled	—
Accretion	—
Asset retirement obligation as of March 31, 2007	14
Liability incurred	—
Liability settled	—
Accretion	—
Asset retirement obligation as of May 15, 2007	$ 14
Successor	
Asset retirement obligation as of May 16, 2007	$ 14
Liability incurred	—
Liability settled	—
Accretion	2
Asset retirement obligation as of March 31, 2008	16
Liability incurred	—
Liability settled	—
Accretion	1
Other	(1)
Asset retirement obligation as of March 31, 2009	$ 16

8. INTANGIBLE ASSETS

The components of intangible assets were as follows (in millions).

	March 31, 2009 — *Successor*				March 31, 2008 — *Successor*			
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted Average Life	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted Average Life
Tradenames	$ 140	$ (13)	$ 127	20 years	$ 152	$ (6)	$ 146	20 years
Technology	165	(21)	144	15 years	169	(10)	159	15 years
Customer-related intangible assets	459	(43)	416	20 years	484	(21)	463	20 years
Favorable energy supply contract	124	(28)	96	9.5 years	124	(13)	111	9.5 years
Other favorable contracts	13	(9)	4	3.3 years	15	(6)	9	3.3 years
	$ 901	$ (114)	$ 787	17.2 years	$ 944	$ (56)	$ 888	17.2 years

Our favorable energy supply contract and other favorable contracts are amortized over their estimated useful lives using methods that reflect the pattern in which the economic benefits are expected to be consumed. All other intangible assets are amortized using the straight-line method.

Amortization expense related to intangible assets is as follows (in millions):

	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
	Successor	*Successor*	*Predecessor*	*Predecessor*	*Predecessor*
Total Amortization expense related to intangible assets	$ 59	$ 56	$ —	$ —	$ 2
Less: Amortization expense related to intangible assets included in Cost of goods sold(A)	18	19	—	—	—
Amortization expense related to intangible assets included in Depreciation and amortization	$ 41	$ 37	$ —	$ —	$ 2

(A) Relates to amortization of favorable energy and other supply contracts.

Estimated total amortization expense related to intangible assets for each of the five succeeding fiscal years is as follows (in millions). Actual amounts may differ from these estimates due to such factors as customer turnover, raw material consumption patterns, impairments, additional intangible asset acquisitions and other events.

Fiscal Year Ending March 31,	
2010	$ 58
2011	55
2012	54
2013	54
2014	53

9. CONSOLIDATION OF VARIABLE INTEREST ENTITIES

We have a variable interest in Logan Aluminum, Inc. (Logan) and have concluded that we are the primary beneficiary. As a result, this entity is consolidated pursuant to FASB Interpretation No. 46 (Revised), *Consolidation of Variable Interest Entities* (FIN 46(R)) in all periods presented. All significant intercompany transactions and balances have been eliminated.

Logan Organization and Operations

In 1985, Alcan purchased an interest in Logan to provide tolling services jointly with ARCO Aluminum, Inc. (ARCO). Logan produces approximately one-third of the can sheet utilized in the U.S. can sheet market. According to the joint venture agreements between Alcan and ARCO, Alcan owned 40 shares of Class A common stock and ARCO owned 60 shares of Class B common stock in Logan. Each share provides its holder with one vote, regardless of class. However, Class A shareholders have the right to select four directors, and Class B shareholders have the right to select three directors. Generally, a majority vote is required for the Logan board of directors to take action. In connection with our spin-off from Alcan in January 2005, Alcan transferred all of its rights and obligations under a joint venture agreement and subsequent ancillary agreements (collectively, the JV Agreements) to us.

Logan processes metal received from Novelis and ARCO and charges the respective partner a fee to cover expenses. Logan has no equity and relies on the regular reimbursement of costs and expenses by Novelis and ARCO to fund its operations. This reimbursement is considered a variable interest as it constitutes a form of financing of the activities of Logan. Other than these contractually required reimbursements, we do not provide other additional support to Logan. We are obligated to absorb a majority of the risk of loss; however, Logan's creditors do not have recourse to our general credit.

Primary Beneficiary

A variable interest holder that consolidates the VIE is called the primary beneficiary. Upon consolidation, the primary beneficiary generally must initially record all of the VIE's assets, liabilities and noncontrolling interests at fair value. Generally, the primary beneficiary is the reporting enterprise with a variable interest in the entity that is obligated to absorb the majority (greater than 50%) of the VIE's expected loss.

Based upon a previous restructuring program, Novelis acquired the right to use the excess capacity at Logan. To utilize this capacity, we installed and have sole ownership of a cold mill at the Logan facility which enabled us have the ability to take the majority share of production and costs. These facts qualify Novelis as Logan's primary beneficiary under FIN 46(R).

Carrying Value

The following table summarizes the carrying value and classification on our consolidated balance sheets of assets and liabilities owned by the Logan joint venture and consolidated under FIN 46(R) (in millions). There are significant other assets used in the operations of Logan that are not part of the joint venture.

	March 31,	
	2009	2008
	Successor	*Successor*
Current assets	$ 64	$ 61
Total assets	$ 124	$ 106
Current liabilities	$ (35)	$ (39)
Total liabilities	$ (135)	$ (112)
Net carrying value	$ (11)	$ (6)

10. INVESTMENT IN AND ADVANCES TO NON-CONSOLIDATED AFFILIATES AND RELATED PARTY TRANSACTIONS

The following table summarizes the ownership structure and our ownership percentage of the non-consolidated affiliates in which we have an investment as of March 31, 2009, and which we account for using the equity method. We do not control our non-consolidated affiliates, but have the ability to exercise significant influence over their operating and financial policies. We have no material investments that we account for using the cost method.

Affiliate Name	Ownership Structure	Ownership Percentage
Aluminium Norf GmbH	Corporation	50%
Consorcio Candonga	Unincorporated Joint Venture	50%
MiniMRF LLC	Limited Liability Company	50%
Deutsche Aluminium Verpackung Recycling GmbH	Corporation	30%
France Aluminium Recyclage S.A.	Public Limited Company	20%

In September 2007, we completed the dissolution of EuroNorca Partners, and we received approximately $2 million upon the completion of liquidation proceedings. No gain or loss was recognized on the liquidation.

In November 2006, we sold the common and preferred shares of our 25% interest in Petrocoque S.A. Industria e Comercio (Petrocoque) to the other shareholders of Petrocoque. Prior to the sale, we accounted for Petrocoque using the equity method of accounting. The results of operations of Petrocoque through the date of sale are included in the table below.

The following table summarizes the condensed assets, liabilities and equity of our equity method affiliates (on a 100% basis, in millions) on a historical basis of accounting. The results do not include the unamortized fair value adjustments relating to our non-consolidated affiliates due to the Arrangement. As of March 31, 2009 and 2008, there were $551 million and $766 million, respectively, of unamortized fair value adjustments recorded in Investment in and advances to non-consolidated affiliates.

	March 31,	
	2009	2008
Assets:		
Current assets	$ 158	$ 192
Non-current assets	560	677
Total assets	$ 718	$ 869
Liabilities:		
Current liabilities	$ 128	$ 151
Non-current liabilities	254	359
Total liabilities	382	510
Equity:		
Novelis	168	180
Third parties	168	179
Total liabilities and equity	$ 718	$ 869

The following table summarizes the condensed results of operations of our equity method affiliates (on a 100% basis, in millions) on a historical basis of accounting. These results do not include the incremental depreciation and amortization expense that we record in our equity method accounting, which arises as a result of the amortization of fair value adjustments we made to our investments in non-consolidated affiliates due to the Arrangement. These results also do not include the $160 million impairment charge to reduce the carrying value of our investment in Aluminium Norf GmbH for the year ended March 31, 2009. (See Note 3 — Impairment of Goodwill and Investment in Affiliate.)

	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
Net sales	$ 553	$ 564	$ 45	$ 127	$ 558
Costs, expenses and income taxes	511	495	43	122	521
Net income	$ 42	$ 69	$ 2	$ 5	$ 37

Novelis Inc.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The table below summarizes our incremental depreciation and amortization expense on our equity method investments due to the Arrangement.

	Year Ended March 31, 2009 *Successor*	May 16, 2007 Through March 31, 2008 *Successor*
Incremental depreciation and amortization expense	$ 48	$ 39
Tax benefit(A)	(15)	(29)
Incremental depreciation and amortization expense, net	$ 33	$ 10

(A) The tax benefits for the period from May 16, 2007 through March 31, 2008 includes tax benefits associated with amortization and a statutory tax rate change recorded as part of our equity method accounting for these investments. There were no such statutory tax rate changes in the other period noted in the table above.

Included in the accompanying consolidated financial statements are transactions and balances arising from business we conduct with these non-consolidated affiliates, which we classify as related party transactions and balances. The following table describes the nature and amounts of transactions that we had with related parties (in millions).

	Year Ended March 31, 2009 *Successor*	May 16, 2007 Through March 31, 2008 *Successor*	April 1, 2007 Through May 15, 2007 *Predecessor*	Three Months Ended March 31, 2007 *Predecessor*	Year Ended December 31, 2006 *Predecessor*
Purchases of tolling services, electricity and inventories					
Aluminium Norf GmbH(A)	$ 257	$ 253	$ 21	$ 61	$ 227
Consorcio Candonga(B)	18	24	1	3	14
Petrocoque S.A. Industria e Comercio(C)	n.a.	n.a.	n.a.	n.a.	2
Total purchases from related parties	$ 275	$ 277	$ 22	$ 64	$ 243
Interest (income) expense					
Aluminium Norf GmbH(D)	$ —	$ 1	$ —	$ —	$ (1)

(A) We purchase tolling services (the conversion of customer-owned metal) from Aluminium Norf GmbH.

(B) We obtain electricity from Consorcio Candonga for our operations in South America.

(C) We purchased calcined-coke from Petrocoque for use in our smelting operations in South America. As previously discussed, we sold our interest in Petrocoque in November 2006. They are not considered a related party in periods subsequent to November 2006.

(D) We earn interest income on a loan due from Aluminium Norf GmbH.

n.a. not applicable — see (C).

The following table describes the period-end account balances that we have with these non-consolidated affiliates, shown as related party balances in the accompanying consolidated balance sheets (in millions).

	March 31,	
	2009	2008
	Successor	*Successor*
Accounts receivable(A)	$ 25	$ 31
Other long-term receivables(A)	$ 23	$ 41
Accounts payable(B)	$ 48	$ 55

(A) The balances represent current and non-current portions of a loan due from Aluminium Norf GmbH.

(B) We purchase tolling services from Aluminium Norf GmbH and electricity from Consorcio Candonga.

11. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities are comprised of the following (in millions).

	March 31,	
	2009	2008
	Successor	*Successor*
Accrued compensation and benefits	$ 103	$ 141
Accrued settlement of legal claim	—	39
Accrued interest payable	12	15
Accrued income taxes	33	37
Current portion of fair value of unfavorable sales contracts	152	242
Other current liabilities	216	230
Accrued expenses and other current liabilities	$ 516	$ 704

12. DEBT

Debt consists of the following (in millions).

		March 31, 2009			March 31, 2008		
	Interest Rates(A)	Principal	Unamortized Fair Value Adjustments(B)	Carrying Value	Principal	Unamortized Fair Value Adjustments(B)	Carrying Value
			Successor			*Successor*	
Long-term debt, net of current portion — third parties:							
Novelis Inc.							
7.25% Senior Notes, due February 2015	7.25%	$ 1,124	$ 47	$ 1,171	$ 1,399	$ 67	$ 1,466
Floating rate Term Loan facility, due July 2014	3.21%(C)	295	—	295	298	—	298
Novelis Corporation							
Floating rate Term Loan facility, due July 2014	3.21%(C)	867	(54)	813	655	—	655
Novelis Switzerland S.A.							
Capital lease obligation, due December 2019 (Swiss francs (CHF) 51 million)	7.50%	45	(3)	42	54	(4)	50
Capital lease obligation, due August 2011 (CHF 3 million)	2.49%	2	—	2	3	—	3
Novelis Korea Limited							
Bank loan, due October 2010	5.44%	100	—	100	100	—	100
Bank loan, due February 2010 (Korean won (KRW) 50 billion)	3.94%	37	—	37	—	—	—
Bank loan, due May 2009 (KRW 10 billion)	7.47%	7	—	7	—	—	—
Bank loans, due September 2010 through June 2011 (KRW 308 million)	3.24%(D)	—	—	—	1	—	1
Other							
Other debt, due April 2009 through December 2012	0.61%(D)	1	—	1	2	—	2
Total debt — third parties		2,478	(10)	2,468	2,512	63	2,575
Less: current portion		(59)	8	(51)	(15)	—	(15)
Long-term debt, net of current portion — third parties:		$ 2,419	$ (2)	$ 2,417	$ 2,497	$ 63	$ 2,560
Long-term debt, net of current portion — related party							
Novelis Inc.							
Unsecured credit facility — related party, due January 2015	13.00%	$ 91	$ —	$ 91	$ —	$ —	$ —

(A) Interest rates are as of March 31, 2009 and exclude the effects of accretion/amortization of fair value adjustments as a result of the Arrangement.

(B) Debt existing at the time of the Arrangement was recorded at fair value. Additional floating rate Term Loan with a face value of $220 million issued in March 2009 was recorded at a fair value of $165 million. See discussion below.

(C) Excludes the effect of related interest rate swaps and the effect of accretion of fair value.

(D) Weighted average interest rate.

Principal repayment requirements for our total debt over the next five years and thereafter (excluding unamortized fair value adjustments and using rates of exchange as of March 31, 2009 for our debt denominated in foreign currencies) are as follows (in millions).

Year Ending March 31,	Amount
2010	$ 59
2011	116
2012	16
2013	16
2014	15
Thereafter	2,347
Total	$ 2,569

7.25% Senior Notes

On February 3, 2005, we issued $1.4 billion aggregate principal amount of senior unsecured debt securities (Senior Notes). The Senior Notes were priced at par, bear interest at 7.25% and mature on February 15, 2015.

As a result of the Arrangement, the Senior Notes were recorded at their fair value of $1.474 billion based on their market price of 105.25% of $1,000 face value per bond as of May 14, 2007. The incremental fair value of $74 million is being amortized over the remaining life of the Senior Notes as an offset to interest expense using the effective interest amortization method.

Under the indenture that governs the Senior Notes, we are subject to certain restrictive covenants applicable to incurring additional debt and providing additional guarantees, paying dividends beyond certain amounts and making other restricted payments, sales and transfers of assets, certain consolidations or mergers, and certain transactions with affiliates.

In March 2009, we recognized a $122 million pre-tax gain on the extinguishment of debt as part of a debt restructuring action. We exchanged Senior Notes with a principal value of $275 million for additional floating rate Term Loan with a face value of $220 million and estimated fair value of $165 million. In accordance with EITF 96-19, *Debtor's Accounting for a Modification or Exchange of Debt Instruments,* the exchange was accounted for as a debt extinguishment and issuance of new debt, with the fair value of the Term Loan used to determine the gain on extinguishment. The carrying value of the Senior Notes used in the gain calculation includes $12 million representing the pro rata allocation of the remaining unamortized fair value adjustment that was established in connection with the Arrangement.

Credit Agreements

On July 6, 2007, we entered into new senior secured credit facilities with a syndicate of lenders led by affiliates of UBS and ABN AMRO (Credit Agreements) providing for aggregate borrowings of up to $1.76 billion. The Credit Agreements consist of (1) a $960 million seven-year Term Loan facility (Term Loan facility) and (2) an $800 million five year multi-currency asset-based revolving credit line and letter of credit facility (ABL facility).

Under the ABL facility, interest charged is dependent on the type of loan as follows: (1) any swingline loan or any loan categorized as an ABR borrowing will bear interest at an annual rate equal to the alternate

base rate (which is the greater of (a) the base rate in effect on a given day and (b) the federal funds effective rate in effect on a given day, plus 0.50%) plus the applicable margin; (2) Eurocurrency loans will bear interest at an annual rate equal to the adjusted LIBOR rate for the applicable interest period, plus the applicable margin; (3) loans designated as Canadian base rate borrowings will bear an annual interest rate equal to the Canadian base rate (CAPRIME), plus the applicable margin; (4) loans designated as bankers acceptances (BA) rate loans will bear interest at the average discount rate offered for bankers' acceptances for the applicable BA interest period, plus the applicable margin and (5) loans designated as Euro Interbank Offered Rate (EURIBOR) loans will bear interest annually at a rate equal to the adjusted EURIBOR rate for the applicable interest period, plus the applicable margin. Applicable margins under the ABL facility depend upon excess availability levels calculated on a quarterly basis.

Generally, for both the Term Loan facility and ABL facility, interest rates reset every three months and interest is payable on a monthly, quarterly, or other periodic basis depending on the type of loan.

The proceeds from the Term Loan facility of $960 million, drawn in full at the time of closing, and an initial draw of $324 million under the ABL facility were used to pay off our old senior secured credit facility, pay for debt issuance costs of the Credit Agreements and provide for additional working capital. Mandatory minimum principal amortization payments under the Term Loan facility are $2.4 million per calendar quarter. Additional mandatory prepayments are required to be made for certain collateral liquidations, asset sales, debt and preferred stock issuances, equity issuances, casualty events and excess cash flow (as defined in the Credit Agreements). Any unpaid principal is due in full on July 6, 2014.

Under the Term Loan facility, loans characterized as alternate base rate (ABR) borrowings bear interest annually at a rate equal to the alternate base rate (which is the greater of (a) the base rate in effect on a given day and (b) the federal funds effective rate in effect on a given day, plus 0.50%) plus the applicable margin. Loans characterized as Eurocurrency borrowings bear interest at an annual rate equal to the adjusted LIBOR rate for the interest period in effect, plus the applicable margin.

Borrowings under the ABL facility are generally based on 85% of eligible accounts receivable and 70% to 75% of eligible inventories. Commitment fees ranging from 0.25% to 0.375% are based on average daily amounts outstanding under the ABL facility during a fiscal quarter and are payable quarterly.

The Credit Agreements include customary affirmative and negative covenants. Under the ABL facility, if our excess availability, as defined under the borrowing, is less than $80 million, we are required to maintain a minimum fixed charge coverage ratio of 1 to 1. As of March 31, 2009, our fixed charge coverage ratio is less than 1 to 1, resulting in a reduction of availability under our ABL facility of $80 million. Substantially all of our assets are pledged as collateral under the Credit Agreements.

As discussed above, in March 2009, we issued an additional Term Loan with a face value of $220 million in exchange for $275 million of Senior Notes. The additional Term Loan was recorded at a fair value of $165 million determined using a discounted cash flow model. The difference between the fair value and the face value of the new Term Loan will be accreted over the life of the Term Loan using the effective interest method, resulting in additional non-cash interest expense.

Interest Rate Swaps

As of March 31, 2009, we had entered into interest rate swaps to fix the variable LIBOR interest rate on $700 million of our floating rate Term Loan facility. We are still obligated to pay any applicable margin, as defined in our Credit Agreements. Interest rate swaps related to $400 million at an effective weighted average interest rate of 4.0% expire March 31, 2010. In January 2009, we entered into two interest rate swaps to fix the variable LIBOR interest rate on an additional $300 million of our floating Term Loan facility at a rate of 1.49%, plus any applicable margin. These interest rate swaps are effective from March 31, 2009 through March 31, 2011.

As of March 31, 2009 approximately 71% of our debt was fixed rate and approximately 29% was variable-rate.

Unsecured Credit Facility

In February 2009, to assist in maintaining adequate liquidity levels, we entered into an unsecured credit facility of $100 million (the Unsecured Credit Facility) with a scheduled maturity date of January 15, 2015 from an affiliate of the Aditya Birla group. Any advance of the Unsecured Credit Facility is deemed to be a permanent reduction of the loan and any part of the loan which is repaid may not be re-borrowed. For each advance under the credit facility, interest is payable quarterly at a rate of 13% per annum prior to the first anniversary of the advance and 14% per annum thereafter, until the earlier of repayment or maturity.

Under the Unsecured Credit Facility, we are subject to certain negative covenants applicable to the restriction of prepayments of other indebtedness and to certain modification of our Credit Agreements and 7.25% Senior Notes.

As of March 31, 2009, we have drawn down $91 million of this facility.

Short-Term Borrowings and Lines of Credit

As of March 31, 2009, our short-term borrowings were $264 million consisting of (1) $231 million of short-term loans under our ABL facility, (2) a $9 million short-term loan in Italy, (3) a $22 million short-term loan in Korea and (4) $2 million in bank overdrafts. As of March 31, 2009, $42 million of our ABL facility was utilized for letters of credit and we had $233 million in remaining availability under this revolving credit facility before the covenant related restriction discussed above.

As of March 31, 2009, we had an additional $92 million outstanding under letters of credit in Korea not included in our revolving credit facility. The weighted average interest rate on our total short-term borrowings was 2.75% and 4.12% as of March 31, 2009 and 2008, respectively.

Korean Bank Loans

In December 2004, we entered into (1) a $70 million floating rate loan and (2) a KRW 25 billion ($25 million) floating rate loan, both due in December 2007. We immediately entered into an interest rate and cross currency swap on the $70 million floating rate loan through a 4.55% fixed rate KRW 73 billion ($73 million) loan and an interest rate swap on the KRW 25 billion floating rate loan to fix the interest rate at 4.45%. In October 2007, we entered into a $100 million floating rate loan due October 2010 and immediately repaid the $70 million loan. In December 2007, we repaid the KRW 25 billion loan from the proceeds of the $100 million floating rate loan. Additionally, we immediately entered into an interest rate swap and cross currency swap for the $100 million floating rate loan through a 5.44% fixed rate KRW 92 billion ($92 million) loan.

In November 2008, we entered into a 7.47% interest rate KRW 10 billion ($7 million) bank loan due May 2009. In February 2009, we entered into a 3.94% interest rate KRW 50 billion ($37 million) bank loan due February 2010.

Capital Lease Obligations

In December 2004, we entered into a fifteen-year capital lease obligation with Alcan for assets in Sierre, Switzerland, which has an interest rate of 7.5% and fixed quarterly payments of CHF 1.7 million, which is equivalent to $1.5 million at the exchange rate as of March 31, 2009.

In September 2005, we entered into a six-year capital lease obligation for equipment in Switzerland which has an interest rate of 2.49% and fixed monthly payments of CHF 0.1 million, which is equivalent to $0.1 million at the exchange rate as of March 31, 2009.

13. SHARE-BASED COMPENSATION

Share-Based Compensation Expense

Total share-based compensation expense for active and inactive plans for the respective periods, including amounts related to the cumulative effect of an accounting change (exclusive of income taxes) from adopting FASB Statement No. 123(R) on January 1, 2006, is presented in the table below (in millions). These amounts are included in Selling, general and administrative expenses in our consolidated statements of operations. For the year ended March 31, 2009, total compensation expense related to share-based awards was less than $1 million, and therefore are not included in the table.

	May 16, 2007 Through March 31, 2008 *Successor*	April 1, 2007 Through May 15, 2007 *Predecessor*	Three Months Ended March 31, 2007 *Predecessor*	Year Ended December 31, 2006 *Predecessor*
Active Plans(A):				
Recognition Awards(B)	$ 2.3	$ 1.5	$ 0.5	$ 0.5
Inactive Plans:				
Novelis 2006 Incentive Plan (stock options)	n.a.	14.5	0.9	0.7
Novelis 2006 Incentive Plan (stock appreciation rights)	n.a.	5.6	1.4	0.4
Novelis Conversion Plan of 2005	n.a.	23.8	0.3	7.3
Stock Price Appreciation Unit Plan	n.a.	(0.5)	4.4	4.5
Deferred Share Unit Plan for Non-Executive Directors	n.a.	0.2	2.2	1.8
Novelis Founders Performance Awards	n.a.	0.1	6.0	2.7
Total Shareholder Returns Performance Plan	n.a.	—	—	0.2
Inactive Plants — Total Share-Based Compensation Expense	n.a.	$ 43.7	$ 15.2	$ 17.6

(A) In June 2008, our board of directors authorized the 2009 Novelis Long-Term Incentive Plan. As of March 31, 2009, only the 2009 Novelis Long-term Incentive Plan remained active; however, there was no share-based compensation expense related to this plan in any period reflected in the table above or for the year ended March 31, 2009.

(B) One-half of the outstanding Recognition Awards vested on December 31, 2007. The remaining outstanding Recognition Awards vested on December 31, 2008. As of March 31, 2009, the Recognition Awards were inactive.

n.a. Not applicable as plan was cancelled as a result of the Arrangement

Effect of Acquisition by Hindalco

As a result of the Arrangement, all of our share-based compensation awards (except for our Recognition Awards) were accelerated to vest, cancelled and settled in cash using the $44.93 purchase price per common share paid by Hindalco in the transaction. We made aggregate cash payments (including applicable payroll-

related taxes) totaling $72 million to plan participants following consummation of the Arrangement, as follows:

	Shares/Units Settled	Cash Payments (In millions)
Novelis 2006 Incentive Plan (stock options)	825,850	$ 16
Novelis 2006 Incentive Plan (stock appreciation rights)	378,360	7
Novelis Conversion Plan of 2005	1,238,183	29
Stock Price Appreciation Unit Plan	299,873	7
Deferred Share Unit Plan for Non-Executive Directors	109,911	5
Novelis Founders Performance Awards	180,400	8
		$ 72

Compensation expense resulting from the accelerated vesting of plan awards, totaling $45 million is included in Selling, general and administrative expenses in our consolidated statement of operations for the period from April 1, 2007 through May 15, 2007. We also recorded a $7 million reduction to Additional paid-in capital during the period from April 1, 2007 through May 15, 2007 for the conversion of certain of our share-based compensation plans from equity-based to liability-based plans.

2009 Novelis Long-Term Incentive Plan

In June 2008, our board of directors authorized the Novelis Long-Term Incentive Plan FY 2009 — FY 2012 (2009 LTIP) covering the performance period from April 1, 2008 through March 31, 2012. Under the 2009 LTIP, stock appreciation rights (SARs) are to be granted to certain of our executive officers and key employees. The SARs will vest at the rate of 25% per year (every June 19th) subject to performance criteria (see below), and expire seven years from the date the plan was authorized by the board. Each SAR is to be settled in cash based on the difference between the market value of one Hindalco share on the date of grant compared to the date of exercise, converted from Indian rupees to the participant's payroll currency at the time of exercise. The amount of cash paid would be limited to (i) 2.5 times the target payout if exercised within one year of vesting or (ii) 3 times the target payout if exercised after one year of vesting. The SARs do not transfer any shareholder rights in Hindalco to a participant. SARs that do not vest as a result of failure to achieve a performance criterion will be cancelled. Generally, all vested SARs expire 90 days after termination of employment, except (1) in the case of death or disability, when any unvested SARs will vest immediately and expire within one year and (2) in the case of retirement, when, if retirement occurs more than one year from the grant date, the SARs would continue to vest and expire three years following retirement. All awards vest upon a change in control of the Company (as defined in the 2009 LTIP).

The performance criterion for vesting is based on the actual overall Novelis Operating Earnings before Interest, Depreciation, Amortization and Taxes (Operating EBITDA, as defined in the 2009 LTIP) compared to the target Operating EBITDA established and approved each fiscal year. The minimum threshold for vesting each year is 75% of each annual target Operating EBITDA, at which point 75% of the SARs for that period would vest, with an equal pro rata amount of SARs vesting through 100% achievement of the target. This performance condition has no impact on the fair value of the SARs.

In October 2008, our board of directors approved an amendment to the 2009 LTIP. The design elements of the amended 2009 LTIP are largely unchanged from the original 2009 LTIP. However, the amended 2009 LTIP now specifies that (a) the plan shall be administered by the Compensation Committee of the Board of Directors, (b) all payments shall be made in cash upon exercise (less applicable withholdings), and (c) the Compensation Committee has the authority to make adjustments in the number and price of SARs covered by the plan in order to prevent dilution or enlargement of the rights of employees that would otherwise result

from a change in the capital structure of the Company (e.g., dividends, stock splits, rights issuances, reorganizations, liquidation of assets, etc.).

In November 2008, grants totaling 21,534,619 SARs at an exercise price of 60.50 Indian Rupees ($1.23 at the December 31, 2008 exchange rate) per SAR were made to our executive officers and key employees. For the year ended March 31, 2009, there were 1,168,426 SARs forfeited.

At March 31, 2009, for outstanding SARs, the average remaining contractual term is 6.22 years and the aggregate intrinsic value is zero as the market value of a share of Hindalco stock was less than the SAR exercise price. No SARs were exercisable at March 31, 2009.

The fair value of each SAR is based on the difference between the fair value of a long call and a short call option. The fair value of each of these call options was determined using the Black-Scholes valuation method. We used historical stock price volatility data of Hindalco on the Bombay Stock Exchange to determine expected volatility assumptions. The annual expected dividend yield is based on Hindalco dividend payments of $0.04 (1.85 Indian Rupees) per year. Risk-free interest rates are based on treasury yields in India, consistent with the expected remaining lives of the SARs. Because we do not have a sufficient history of SAR exercise or cancellation, we estimated the expected remaining life of the SARs based on an extension of the “simplified method” as prescribed by Staff Accounting Bulletin No. 107, *Share-Based Payment* (SAB 107).

The fair value of each SAR under the 2009 LTIP was estimated as of March 31, 2009 using the following assumptions:

Expected volatility	47.60 - 54.49%
Weighted average volatility	50.87%
Dividend yield	3.55%
Risk-free interest rate	6.21 - 6.72%
Expected life	3.22 - 4.72 years

The fair value of the SARs is being recognized over the requisite performance and service period of each tranche, subject to the achievement of any performance criterion. No compensation expense for this performance period has been recorded in the year ended March 31, 2009 as annual performance criterion were not met. Additionally, since the performance criteria for the fiscal years 2010 to 2012 have not yet been established and therefore, no measurement periods have commenced, no expense has been recorded for those tranches in the year ended March 31, 2009.

Unrecognized compensation expense related to the non-vested SARs (assuming all future performance criteria are met except for the 2009 performance period) of $3 million is expected to be realized over a weighted average period of 4.2 years.

Recognition Awards

In September 2006, we entered into Recognition Agreements and granted Recognition Awards to certain executive officers and other key employees (Executives) to retain and reward them for continued dedication towards corporate objectives. Under the terms of these agreements, Executives who remained continuously employed by us through the vesting dates of December 31, 2007 and December 31, 2008 were entitled to receive one-half of their total Recognition Awards on each vesting date. The number of Recognition Awards payable under the agreements varied by Executive. As a result of the Arrangement, the Recognition Awards changed from an equity-based to a liability-based plan using the $44.93 per common share transaction price as the per share value. This change resulted in additional share-based compensation expense of $1.3 million during the period from April 1, 2007 through May 15, 2007.

One-half of the outstanding Recognition Awards vested on December 31, 2007, and were settled for approximately $3 million in cash in January 2008. The remaining outstanding Recognition Awards vested on December 31, 2008, and were settled for approximately $2 million in cash in January 2009.

Inactive Plans

As previously mentioned, as a result of the Arrangement, all of our share-based compensation awards (except for our Recognition Awards) were accelerated to vest, cancelled and settled in cash using the $44.93 purchase price per common share paid by Hindalco in the transaction. The following tables summarizes the activity and assumptions used to estimate fair value of the cancelled plans.

Novelis 2006 Incentive Plan

In October 2006, our shareholders approved the Novelis 2006 Incentive Plan (2006 Incentive Plan) to effectively replace the Novelis Conversion Plan of 2005 and Stock Price Appreciation Unit Plan (both described below). Under the 2006 Incentive Plan, up to an aggregate number of 7,000,000 shares of Novelis common stock were authorized to be issued in the form of stock options, stock appreciation rights (SARs), restricted shares, restricted share units, performance shares and other share-based incentives.

2006 Stock Options

In October 2006, our board of directors authorized a grant of an aggregate of 885,170 seven-year non-qualified stock options under the 2006 Incentive Plan at an exercise price of $25.53 to certain of our executive officers and key employees.

Prior to the Arrangement, the fair value of our premium and non-premium options was estimated using the following assumptions for the year ended December 31, 2006, the three months ended March 31, 2007 and the period from April 1, 2007 through May 15, 2007 *(Predecessor)*:

Expected volatility	42.20 to 46.40%
Weighted average volatility	44.30%
Dividend yield	0.16%
Risk-free interest rate	4.68 to 4.71%
Expected life	1.00 to 4.75 years

As a result of the Arrangement, 825,850 premium and non-premium options under the 2006 Incentive Plan were accelerated to vest and were settled in cash for approximately $16 million.

Stock Appreciation Rights

In October 2006, our board of directors authorized a grant of 381,090 Stock Appreciation Rights (SARs) under the 2006 Incentive Plan at an exercise price of $25.53 to certain of our executive officers and key employees.

The fair value of premium and non-premium SARs under the 2006 Incentive Plan was estimated using the following assumptions:

	Three Months Ended March 31, 2007 *Predecessor*	Year Ended December 31, 2006 *Predecessor*
Expected volatility	40.70 to 44.70%	40.80 to 45.40%
Weighted average volatility	42.70%	43.10%
Dividend yield	None	0.14%
Risk-free interest rate	4.51 to 4.59%	4.67 to 4.71%
Expected life	0.57 to 4.32 years	0.83 to 4.57 years

As a result of the Arrangement, 378,360 premium and non-premium SARs were accelerated to vest and were settled in cash for approximately $7 million.

Novelis Conversion Plan of 2005

In January 2005, our board of directors adopted the Novelis Conversion Plan of 2005 (the Conversion Plan) to allow for 1,372,663 Alcan stock options held by employees of Alcan who became our employees following our spin-off from Alcan to be replaced with options to purchase 2,723,914 of our common shares.

The fair value of each option was estimated using the following assumptions for the year ended December 31, 2006, the three months ended March 31, 2007 and the period from April 1 through May 15, 2007:

Expected volatility	30.30%
Weighted-average volatility	30.30%
Dividend yield	1.56%
Risk-free interest rate	2.88 to 3.73%
Expected life	0.70 to 5.70 years

As a result of the Arrangement, 563,651 options were accelerated to vest with a total fair value of approximately $4 million and a total of 1,238,183 options were settled in cash using the $44.93 purchase price per common share paid by Hindalco in the transaction for approximately $29 million.

Stock Price Appreciation Unit Plan

Prior to the spin-off, some Alcan employees who later transferred to Novelis held Alcan stock price appreciation units (SPAUs). These units entitled them to receive cash equal to the excess of the market value of an Alcan common share on the exercise date of a SPAU over the market value of an Alcan common share on its grant date.

The fair value of each SPAU was estimated using the following assumptions:

	Three Months Ended March 31, 2007 *Predecessor*	Year Ended December 31, 2006 *Predecessor*
Expected volatility	38.20 to 40.80%	36.20 to 40.30%
Weighted average volatility	39.31%	39.32%
Dividend yield	None	0.14%
Risk-free interest rate	4.51 to 4.56%	4.67 to 4.80%
Expected life	2.25 to 4.37 years	2.37 to 4.37 years

As a result of the Arrangement, 201,495 SPAUs were accelerated to vest and 299,873 SPAUs were settled in cash using the $44.93 per common share purchase price paid by Hindalco in the transaction for approximately $7 million.

Deferred Share Unit Plan for Non-Executive Directors

In January 2005, Novelis established the Deferred Share Unit Plan for Non-Executive Directors under which non-executive directors would receive 50% of their compensation payable in the form of directors' deferred share units (DDSUs) and the other 50% in the form of either cash, additional DDSUs or a combination of these two (at the election of each non-executive director).

As a result of the Arrangement, 109,911 DDSUs were settled in cash using the $44.93 purchase price per common share paid by Hindalco in the transaction for approximately $5 million.

Novelis Founders Performance Awards

In March 2005 (as amended and restated in March 2006 and February 2007), Novelis established a plan to reward certain key executives with Performance Share Units (PSUs) if Novelis common share price improvement targets were achieved within specific time periods. There were three equal tranches of PSUs, and each had a specific share price improvement target.

The share price improvement targets for the first tranche were achieved and 180,350 Performance Share Units (PSUs) were awarded on June 20, 2005. For the year ended December 31, 2005, 1,650 PSUs were forfeited and 178,700 remained outstanding. In March 2006, 46,850 PSUs were forfeited and 131,850 PSUs were ultimately paid out. The liability for the first tranche was accrued over its term, was valued on March 24, 2006, and was paid in April 2006 in the aggregate amount of approximately $3 million.

The fair value of each PSUs was estimated using the following assumptions:

	Year Ended December 31, 2006
	Predecessor
Expected volatility	37.00%
Weighted average volatility	37.00%
Dividend yield	0.14%
Risk-free interest rate	4.75%
Expected life (derived service periods)	0.93 to 1.23 years

As a result of the Arrangement, the second and third tranches (represented by 94,450 and 85,950 PSUs, respectively) were settled in cash using the $44.93 purchase price per common share paid by Hindalco in the transaction for approximately $8 million.

Total Shareholder Returns Performance Plan

Some Alcan employees who transferred to Novelis were entitled to receive cash awards under the Alcan Total Shareholder Returns Performance Plan (TSR). In January 2005, the accrued awards for all of the TSR participants were converted into 452,667 Novelis restricted share units (RSUs). In October 2005, an aggregate of $7 million was paid to employees who held RSUs that had vested on September 30, 2005. In October 2006, 120,949 RSUs and related dividends outstanding were paid to employees in the aggregate amount of $3 million.

14. POSTRETIREMENT BENEFIT PLANS

Our pension obligations relate to funded defined benefit pension plans in the U.S., Canada, Switzerland and the U.K., unfunded pension plans in Germany, and unfunded lump sum indemnities in France, South Korea, Malaysia and Italy. Our other postretirement obligations (Other Benefits, as shown in certain tables below) include unfunded healthcare and life insurance benefits provided to retired employees in Canada, the U.S. and Brazil.

Some of our employees participated in defined benefit plans that were previously managed by Alcan in the U.S., Canada, the U.K. and Switzerland. These benefits are generally based on the employee's years of service and the highest average eligible compensation before retirement.

For the period January 1, 2006 through March 31, 2009, the following occurred related to existing Alcan pension plans covering our employees:

a) In the U.K., former Alcan employees who participated in the British Alcan RILA Plan in 2005 began participating in the Novelis U.K. pension plan effective January 1, 2006. Of the approximate 575 Novelis employees who had participated in the British Alcan RILA plan, 208 employees elected to transfer their past service to the Novelis U.K. pension plan. Novelis made a payment of $7 million to the British Alcan RILA plan in November 2006 to pay the statutory withdrawal liability. In October 2007, we completed the transfer of U.K. plan assets and liabilities from Alcan to Novelis. Plan liabilities assumed exceeded plan assets received by $4 million. We made an additional contribution of approximately $2 million to the plan in February 2008.

b) In Canada, former Alcan employees who participated in the Alcan Pension Plan (Canada) began participating in the NPP (Canada) effective January 1, 2005. Of the approximate 680 employees who had participated in the Alcan plan, 420 employees elected to transfer their past service to the Novelis Plan. During the first quarter of fiscal 2009, we completed the transfer of plan assets and liabilities from Alcan to Novelis. Plan assets received exceeded plan liabilities assumed by $1 million. We recorded the $1 million difference between transferred plan assets and liabilities as an adjustment to Goodwill.

c) In the U.S., former non-union Alcan employees who participated in the Alcancorp Pension Plan had their pension liabilities transferred to the Novelis Pension Plan effective January 1, 2006. Plan liabilities exceeded plan assets received by $22 million on the transfer date.

d) In Switzerland, we have been a participating employer in the Alcan Swiss Pension Plan since January 1, 2005. Our employees are participating in this plan indefinitely (subject to Alcan approval and provided we make the required pension contributions). Effective May 16, 2007, we changed our treatment of our participation in the Alcan Swiss Pension Plan from a multi-employer plan to a single-employer plan; thus, Novelis' share of plan assets, liabilities, contributions and expenses are included in this note.

Employer Contributions to Plans

For pension plans, our policy is to fund an amount required to provide for contractual benefits attributed to service to date, and amortize unfunded actuarial liabilities typically over periods of 15 years or less. We also participate in savings plans in Canada and the U.S., as well as defined contribution pension plans in the U.S., U.K., Canada, Germany, Italy, Switzerland, Malaysia and Brazil. We contributed the following amounts to all plans, including the Alcan plans that cover our employees (in millions).

	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
	Successor	*Successor*	*Predecessor*	*Predecessor*	*Predecessor*
Funded pension plans	$ 29	$ 35	$ 4	$ 10	$ 39
Unfunded pension plans	16	19	2	6	22
Savings and defined contribution pension plans	16	13	2	3	12
Total contributions	$ 61	$ 67	$ 8	$ 19	$ 73

During fiscal year 2010, we expect to contribute $52 million to our funded pension plans, $14 million to our unfunded pension plans and $16 million to our savings and defined contribution plans.

Investment Policy and Asset Allocation

Each of our funded pension plans is governed by an Investment Fiduciary, who establishes an investment policy appropriate for the pension plan. The Investment Fiduciary is responsible for selecting the asset allocation for each plan, monitoring investment managers, monitoring returns versus benchmarks and monitoring compliance with the investment policy. The targeted allocation ranges by asset class, and the actual allocation percentages for each class are listed in the table below.

Asset Category	Target Allocation Ranges	Allocation in Aggregate as of March 31, 2009	Allocation in Aggregate as of March 31, 2008
		Successor	*Successor*
Equity securities	35 - 70%	46%	50%
Debt securities	25 - 60%	46%	42%
Real estate	0 - 25%	4%	4%
Other	0 - 15%	4%	3%

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Benefit Obligations, Fair Value of Plan Assets, Funded Status and Amounts Recognized in Financial Statements

The following tables present the change in benefit obligation, change in fair value of plan assets and the funded status for pension and other benefits (in millions), including the Swiss Pension Plan effective May 16, 2007. Other Benefits in the tables below include unfunded healthcare and life insurance benefits provided to retired employees in Canada, Brazil and the U.S.

	Pension Benefits				
	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
	Successor	*Successor*	*Predecessor*	*Predecessor*	*Predecessor*
Change in benefit obligation					
Benefit obligation at beginning of period	$ 991	$ 867	$ 885	$ 877	$ 575
Service cost	38	40	6	12	42
Interest cost	57	43	6	12	44
Members' contributions	9	5	—	1	4
Benefits paid	(39)	(39)	(4)	(10)	(30)
Amendments	—	(9)	—	—	1
Transfers/mergers	48	95	—	—	209
Curtailments/ termination benefits	(2)	—	—	—	(5)
Actuarial (gains) losses	(33)	(52)	(32)	(9)	(10)
Currency (gains) losses	(124)	41	6	2	47
Benefit obligation at end of period	$ 945	$ 991	$ 867	$ 885	$ 877
Benefit obligation of funded plans	$ 787	$ 800	$ 680	$ 696	$ 690
Benefit obligation of unfunded plans	158	191	187	189	187
Benefit obligation at end of period	$ 945	$ 991	$ 867	$ 885	$ 877

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Other Benefits				
	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
	Successor	*Successor*	*Predecessor*	*Predecessor*	*Predecessor*
Benefit obligation at beginning of period	$ 171	$ 140	$ 141	$ 139	$ 122
Service cost	7	4	1	2	5
Interest cost	10	7	1	2	7
Benefits paid	(7)	(6)	(1)	(2)	(8)
Transfers/mergers	—	—	(1)	—	1
Curtailments/termination benefits	(3)	—	—	—	—
Actuarial (gains) losses	(14)	25	(2)	—	12
Currency (gains) losses	(2)	1	1	—	—
Benefit obligation at end of period	$ 162	$ 171	140	$ 141	$ 139
Benefit obligation of funded plans	$ —	$ —	$ —	$ —	$ —
Benefit obligation of unfunded plans	162	171	140	141	139
Benefit obligation at end of period	$ 162	$ 171	$ 140	$ 141	$ 139

	Pension Benefits				
	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
	Successor	*Successor*	*Predecessor*	*Predecessor*	*Predecessor*
Change in fair value of plan assets					
Fair value of plan assets at beginning of period	$ 724	$ 607	$ 578	$ 568	$ 301
Actual return on plan assets	(102)	(14)	16	6	41
Members' contributions	9	5	—	1	4
Benefits paid	(39)	(39)	(2)	(5)	(30)
Company contributions	45	54	12	3	51
Transfers/mergers	49	94	—	4	178
Currency gains (losses)	(88)	17	3	1	23
Fair value of plan assets at end of period	$ 598	$ 724	$ 607	$ 578	$ 568

	March 31,			
	2009		2008	
	Pension Benefits	Other Benefits	Pension Benefits	Other Benefits
	Successor		Successor	
Funded status				
Funded Status at end of period:				
Assets less the benefit obligation of funded plans	$ (189)	$ —	$ (76)	$ —
Benefit obligation of unfunded plans	(158)	(162)	(191)	(171)
	$ (347)	$ (162)	$ (267)	$ (171)
As included on consolidated balance sheet				
Other long-term assets — third parties	$ —	$ —	$ 7	$ —
Accrued expenses and other current liabilities	(12)	(7)	(16)	(8)
Accrued postretirement benefits	(335)	(155)	(258)	(163)
	$ (347)	$ (162)	$ (267)	$ (171)

The postretirement amounts recognized in Accumulated other comprehensive income (loss), before tax effects, are presented in the table below (in millions).

	March 31,			
	2009		2008	
	Pension Benefits	Other Benefits	Pension Benefits	Other Benefits
	Successor		Successor	
Net actuarial loss	$ 118	$ 9	$ 2	$ 25
Prior service cost (credit)	(7)	—	(10)	—
Total postretirement amounts recognized in Accumulated other comprehensive loss (income)	$ 111	$ 9	$ (8)	$ 25

The estimated amounts that will be amortized from Accumulated other comprehensive income (loss) into net periodic benefit cost in fiscal 2010 are $10 million for pension benefits and $1 million for other postretirement benefits, primarily related to net actuarial loss.

Accumulated Benefit Obligation in Excess of Plan Assets

The projected benefit obligation, accumulated benefit obligation and fair value of plan assets for pension plans with an accumulated benefit obligation in excess of plan assets as of March 31, 2009 and 2008 are presented in the table below (in millions).

	March 31,	
	2009	2008
	Successor	Successor
Projected benefit obligation	$ 887	$ 528
Accumulated benefit obligation	$ 784	$ 496
Fair value of plan assets	$ 549	$ 302

Future Benefit Payments

Expected benefit payments to be made during the next ten fiscal years are listed in the table below (in millions).

	Pension Benefits	Other Benefits
2010	$ 35	$ 7
2011	36	8
2012	40	9
2013	44	10
2014	49	11
2015 through 2019	301	69
Total	$ 505	$ 114

Components of Net Periodic Benefit Cost

The components of net periodic benefit cost for the respective periods are listed in the table below (in millions).

Pension Benefits	Year Ended March 31, 2009 *Successor*	May 16, 2007 Through March 31, 2008 *Successor*	April 1, 2007 Through May 15, 2007 *Predecessor*	Three Months Ended March 31, 2007 *Predecessor*	Year Ended December 31, 2006 *Predecessor*
Net periodic benefit cost					
Service cost	$ 38	$ 40	$ 6	$ 12	$ 42
Interest cost	57	43	6	12	44
Expected return on assets	(50)	(41)	(5)	(11)	(38)
Amortization					
— actuarial losses	—	—	—	1	6
— prior service cost	(1)	—	—	—	2
Curtailment/settlement losses	(1)	—	—	—	(4)
Net periodic benefit cost	43	42	7	14	52
Proportionate share of non-consolidated affiliates' deferred pension costs, net of tax	4	4	—	—	4
Total net periodic benefit costs recognized	$ 47	$ 46	$ 7	$ 14	$ 56

Other Benefits	Year Ended March 31, 2009 Successor	May 16, 2007 Through March 31, 2008 Successor	April 1, 2007 Through May 15, 2007 Predecessor	Three Months Ended March 31, 2007 Predecessor	Year Ended December 31, 2006 Predecessor
Net periodic benefit cost					
Service cost	$ 7	$ 4	$ 1	$ 1	$ 5
Interest cost	10	7	1	2	7
Amortization					
— actuarial losses	2	—	—	1	1
Curtailment/termination benefits	(3)	—	—	—	—
Total net periodic benefit costs recognized	$ 16	$ 11	$ 2	$ 4	$ 13

The expected long-term rate of return on plan assets is 6.7% in fiscal 2010.

Actuarial Assumptions and Sensitivity Analysis

The weighted average assumptions used to determine benefit obligations and net periodic benefit costs for the respective periods are listed in the table below.

Pension Benefits	Year Ended March 31, 2009 Successor	May 16, 2007 Through March 31, 2008 Successor	April 1, 2007 Through May 15, 2007 Predecessor	Three Months Ended March 31, 2007 Predecessor	Year Ended December 31, 2006 Predecessor
Weighted average assumptions used to determine benefit obligations					
Discount rate	6.0%	5.8%	5.4%	5.3%	5.4%
Average compensation growth	3.6%	3.4%	3.8%	3.8%	3.8%
Weighted average assumptions used to determine net periodic benefit cost					
Discount rate	5.9%	5.2%	5.4%	5.4%	5.1%
Average compensation growth	3.6%	3.7%	3.8%	3.8%	3.9%
Expected return on plan assets	6.9%	7.3%	7.5%	7.5%	7.3%

Other Benefits	Year Ended March 31, 2009 Successor	May 16, 2007 Through March 31, 2008 Successor	April 1, 2007 Through May 15, 2007 Predecessor	Three Months Ended March 31, 2007 Predecessor	Year Ended December 31, 2006 Predecessor
Weighted average assumptions used to determine benefit obligations					
Discount rate	6.2%	6.1%	5.8%	5.7%	5.7%
Average compensation growth	3.9%	3.9%	3.9%	3.9%	3.9%
Weighted average assumptions used to determine net periodic benefit cost					
Discount rate	6.1%	5.7%	5.7%	5.7%	5.7%
Average compensation growth	3.9%	3.9%	3.9%	3.9%	3.9%

In selecting the appropriate discount rate for each plan, we generally used a country-specific, high-quality corporate bond index, adjusted to reflect the duration of the particular plan. In the U.S. and Canada, the discount rate was calculated by matching the plan's projected cash flows with similar duration high-quality corporate bonds to develop a present value, which was then interpolated to develop a single equivalent discount rate.

In estimating the expected return on assets of a pension plan, consideration is given primarily to its target allocation, the current yield on long-term bonds in the country where the plan is established, and the historical risk premium of equity or real estate over long-term bond yields in each relevant country. The approach is consistent with the principle that assets with higher risk provide a greater return over the long-term.

We provide unfunded healthcare and life insurance benefits to our retired employees in Canada, the U.S. and Brazil, for which we paid $7 million for the year ended March 31, 2009, $6 million for the period from May 16, 2007 through March 31, 2008, $1 million for the period from April 1, 2007 through May 15, 2007, $2 million for the three months ended March 31, 2007 and $8 million for the year ended December 31, 2006. The assumed healthcare cost trend used for measurement purposes is 7.5% for fiscal 2010, decreasing gradually to 5% in 2014 and remaining at that level thereafter.

A change of one percentage point in the assumed healthcare cost trend rates would have the following effects on our other benefits (in millions).

	1% Increase	1% Decrease
Sensitivity Analysis		
Effect on service and interest costs	$ 2	$ (2)
Effect on benefit obligation	$ 14	$ (12)

In addition, we provide post-employment benefits, including disability, early retirement and continuation of benefits (medical, dental, and life insurance) to our former or inactive employees, which are accounted for on the accrual basis in accordance with FASB Statement No. 112, *Employers' Accounting for Postemployment Benefits.* Other long-term liabilities on our consolidated balance sheets includes $20 million and $23 million as of March 31, 2009 and 2008, respectively, for these benefits.

15. CURRENCY LOSSES (GAINS)

The following currency losses (gains) are included in the accompanying consolidated statements of operations (in millions).

	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
	Successor	*Successor*	*Predecessor*	*Predecessor*	*Predecessor*
Net (gain) loss on change in fair value of currency derivative instruments(A)	$ (21)	$ 44	$ (10)	$ (5)	$ 24
Net (gain) loss on remeasurement of monetary assets and liabilities(B)	98	(2)	4	6	(8)
Net currency (gain) loss	$ 77	$ 42	$ (6)	$ 1	$ 16

(A) Included in *(Gain) loss on change in fair value of derivative instruments, net.*

(B) Included in *Other (income) expenses, net.*

The following currency gains (losses) are included in Accumulated other comprehensive income (loss) (AOCI), net of tax (in millions).

	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008
	Successor	*Successor*
Cumulative currency translation adjustment — beginning of period	$ 85	$ 32
Effect of changes in exchange rates	(163)	53
Cumulative currency translation adjustment — end of period	$ (78)	$ 85

16. FINANCIAL INSTRUMENTS AND COMMODITY CONTRACTS

In conducting our business, we use various derivative and non-derivative instruments to manage the risks arising from fluctuations in exchange rates, interest rates, aluminum prices and energy prices. Such instruments are used for risk management purposes only. We may be exposed to losses in the future if the counterparties to the contracts fail to perform. We are satisfied that the risk of such non-performance is remote due to our monitoring of credit exposures. Our ultimate gain or loss on these derivatives may differ from the amount recognized in the accompanying March 31, 2009 consolidated balance sheet.

The decision of whether and when to execute derivative instruments, along with the duration of the instrument, can vary from period to period depending on market conditions, the relative costs of the instruments and capacity to hedge. The duration is always linked to the timing of the underlying exposure, with the connection between the two being regularly monitored.

The current and noncurrent portions of derivative assets and the current portion of derivative liabilities are presented on the face of our accompanying consolidated balance sheets. The noncurrent portions of derivative liabilities are included in Other long-term liabilities in the accompanying consolidated balance sheets.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The fair values of our financial instruments and commodity contracts as of March 31, 2009 and March 31, 2008 are as follows (in millions):

	March 31, 2009				
	Assets		Liabilities		Net Fair Value Assets/(Liabilities)
	Current	Noncurrent	Current	Noncurrent	
Successor					
Derivatives designated as hedging instruments:					
Currency exchange contracts	$ —	$ —	$ —	$ (11)	$ (11)
Interest rate swaps	—	—	(13)	—	(13)
Electricity swap	—	—	(6)	(12)	(18)
Total derivatives designated as hedging instruments	—	—	(19)	(23)	(42)
Derivatives not designated as hedging instruments:					
Aluminum contracts	99	41	(532)	(13)	(405)
Currency exchange contracts	20	31	(77)	(12)	(38)
Energy contracts	—	—	(12)	—	(12)
Total derivatives not designated as hedging instruments	119	72	(621)	(25)	(455)
Total derivative fair value	$ 119	$ 72	$ (640)	$ (48)	$ (497)

	March 31, 2008				
	Assets		Liabilities		Net Fair Value Assets/(Liabilities)
	Current	Noncurrent	Current	Noncurrent	
Successor					
Derivatives designated as hedging instruments:					
Currency exchange contracts	$ —	$ —	$ —	$ (184)	$ (184)
Interest rate swaps	—	—	(3)	(12)	(15)
Electricity swap	3	11	—	—	14
Total derivatives designated as hedging instruments	3	11	(3)	(196)	(185)
Derivatives not designated as hedging instruments:					
Aluminum contracts	131	4	(29)	—	106
Currency exchange contracts	64	6	(116)	(5)	(51)
Energy contracts	5	—	—	—	5
Total derivatives not designated as hedging instruments	200	10	(145)	(5)	60
Total derivative fair value	$ 203	$ 21	$ (148)	$ (201)	$ (125)

Net Investment Hedges

We use cross-currency swaps to manage our exposure to fluctuating exchange rates arising from our loans to and investments in our European operations. We have designated these as net investment hedges. The effective portion of gain or loss on the fair value of the derivative is included in Other comprehensive income (loss) (OCI). Prior to the Arrangement, the effective portion on the derivative was included in Change in fair value of effective portion of hedges, net. After the completion of the Acquisition, the effective portion on the derivative is included in Currency translation adjustments. The ineffective portion of gain or loss on the derivative is included in (Gain) loss on change in fair value of derivative instruments, net. We had cross-currency swaps of Euro 135 million against the U.S. dollar outstanding as of March 31, 2009.

The following table summarizes the amount of gain (loss) we recognized in OCI related to our net investment hedge derivatives (in millions).

	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007
	Successor	*Successor*	*Predecessor*
Currency exchange contracts	$ 169	$ (82)	$ (8)

Cash Flow Hedges

We own an interest in an electricity swap which we have designated as a cash flow hedge against our exposure to fluctuating electricity prices. The effective portion of gain or loss on the derivative is included in OCI and reclassified into (Gain) loss on change in fair value of derivatives, net in our accompanying consolidated statements of operations. As of March 31, 2009, the outstanding portion of this swap includes 20,888 megawatt hours through 2017.

We use interest rate swaps to manage our exposure to changes in the benchmark LIBOR interest rate arising from our variable-rate debt. We have designated these as cash flow hedges. The effective portion of gain or loss on the derivative is included in OCI and reclassified into Interest expense and amortization of debt issuance costs in our accompanying consolidated statements of operations. We had $690 million of outstanding interest rate swaps designated as cash flow hedges as of March 31, 2009.

For all derivatives designated as cash flow hedges, gains or losses representing hedge ineffectiveness are recognized in (Gain) loss on change in fair value of derivative instruments, net in our current period earnings. If at any time during the life of a cash flow hedge relationship we determine that the relationship is no longer effective, the derivative will be de-designated as a cash flow hedge. This could occur if the underlying hedged exposure is determined to no longer be probable, or if our ongoing assessment of hedge effectiveness determines that the hedge relationship no longer meets the measures we have established at the inception of the hedge. Gains or losses recognized to date in AOCI would be immediately reclassified into current period earnings, as would any subsequent changes in the fair value of any such derivative.

During the next twelve months we expect to realize $13 million in effective net losses from our cash flow hedges. The maximum period over which we have hedged our exposure to cash flow variability is through 2017.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes the impact on AOCI and earnings of derivative instruments designated as cash flow hedge (in millions).

	Gain (Loss) Recognized in OCI	Gain (Loss) Reclassified from AOCI into Income	Gain or (Loss) Recognized in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing)
	Year Ended March 31, 2009	Year Ended March 31, 2009	Year Ended March 31, 2009
	Successor	*Successor*	*Successor*
Energy contracts	$ (21)	$ 12	$ —
Interest rate swaps	$ 3	$ —	$ —

	Gain (Loss) Recognized in OCI		Gain (Loss) Reclassified from AOCI into Income		Gain (Loss) Recognized in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing)	
	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007
	Successor	*Predecessor*	*Successor*	*Predecessor*	*Successor*	*Predecessor*
Currency exchange contracts	$ —	$ 4	$ —	$ 1	$ —	$ —
Energy contracts	$ 23	$ 4	$ 8	$ —	$ —	$ —
Interest rate swaps	$ (15)	$ —	$ —	$ —	$ (1)	$ —

Derivative Instruments Not Designated as Hedges

We use aluminum forward contracts and options to hedge our exposure to changes in the London Metal Exchange (LME) price of aluminum. These exposures arise from firm commitments to sell aluminum in future periods at fixed or capped prices, the forecasted output of our smelter operations in South America and the forecasted metal price lag associated with firm commitments to sell aluminum in future periods at prices based on the LME. In addition, transactions with certain customers meet the definition of a derivative under FASB 133 and are recognized as assets or liabilities at fair value on the accompanying consolidated balance sheets. As of March 31, 2009, we had 294 kilotonnes (kt) of outstanding aluminum contracts not designated as hedges.

We recognize a derivative position which arises from a contractual relationship with a customer that entitles us to pass-through the economic effect of trading positions that we take with other third parties on our customers' behalf.

We use foreign exchange forward contracts and cross-currency swaps to manage our exposure to changes in exchange rates. These exposures arise from recorded assets and liabilities, firm commitments and forecasted cash flows denominated in currencies other than the functional currency of certain of our operations. As of March 31, 2009, we had outstanding currency exchange contracts with a total notional amount of $1.4 billion not designated as hedges.

We use interest rate swaps to manage our exposure to fluctuating interest rates associated with variable-rate debt. As of March 31, 2009, we had $10 million of outstanding interest rate swaps that were not designated as hedges.

We use heating oil swaps and natural gas swaps to manage our exposure to fluctuating energy prices in North America. As of March 31, 2009, we had 3.4 million gallons of heating oil swaps and 3.8 million MMBtu's of natural gas that were not designated as hedges.

While each of these derivatives is intended to be effective in helping us manage risk, they have not been designated as hedging instruments under FASB 133. The change in fair value of these derivative instruments is included in (Gain) loss on change in fair value of derivative instruments, net in the accompanying consolidated statement of operations.

The following table summarizes the gains (losses) recognized in current period earnings (in millions).

	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007
	Successor	*Successor*	*Predecessor*
Derivative Instruments Not Designated as Hedges			
Aluminum contracts	$ (561)	$ 44	$ 7
Currency exchange contracts	21	(44)	10
Energy contracts	(29)	12	3
Gain (loss) recognized	(569)	12	20
Derivative Instruments Designated as Cash Flow Hedges			
Interest rate swaps	—	(1)	—
Electricity swap	13	11	—
Gain (loss) on change in fair value of derivative instruments, net	$ (556)	$ 22	$ 20

17. FAIR VALUE OF ASSETS AND LIABILITIES

FASB 157 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. The provisions of this standard apply to other accounting pronouncements that require or permit fair value measurements and are to be applied prospectively with limited exceptions. Additionally, FASB 157 amended FASB 107, *Disclosure about Fair Value of Financial Instruments* (FASB 107), and as such, we follow FASB 157 in determination of FASB 107 fair value disclosure amounts. The disclosures required under FASB 157 and FASB 107 are included in this note.

The following is a description of valuation methodologies used for assets and liabilities recorded at fair value and for estimating fair value for financial instruments not previously recorded at fair value.

FASB 157 Instruments

Our adoption of FASB 157 on April 1, 2008 resulted in (1) a gain of $1 million, which is included in (Gain) loss on change in fair value of derivative instruments, net in our consolidated statement of operations, (2) a $1 million decrease to the fair value of effective portion of hedges included in Accumulated other comprehensive income (loss) and (3) a $29 million increase to the foreign currency translation adjustment included in Accumulated other comprehensive income (loss). These adjustments are primarily due to the inclusion of nonperformance risk (i.e., credit spreads) in our valuation models related to certain of our cross-currency swap derivative instruments (see Note 16 — Financial Instruments and Commodity Contracts).

FASB 157 defines fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the measurement date. FASB 157 is the single source in GAAP for the definition of fair value, except for the fair value of leased property as defined in FASB 13, for purposes of lease classification or measurement. FASB 157 establishes a fair value hierarchy that distinguishes between (1) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (2) an entity's own assumptions about market

participant assumptions developed based on the best information available in the circumstances (unobservable inputs). The fair value hierarchy consists of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under FASB 157 are described as follows:

Level 1 — Unadjusted quoted prices in active markets for identical, unrestricted assets or liabilities that we have the ability to access at the measurement date;

Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 — Unobservable inputs for which there is little or no market data, which require us to develop our own assumptions based on the best information available as what market participants would use in pricing the asset or liability.

The following section describes the valuation methodologies we used to measure our various financial instruments at fair value, including an indication of the level in the fair value hierarchy in which each instrument is generally classified:

Derivative contracts

For certain of our derivative contracts whose fair values are based upon trades in liquid markets, such as aluminum forward contracts and options, valuation model inputs can generally be verified and valuation techniques do not involve significant judgment. The fair values of such financial instruments are generally classified within Level 2 of the fair value hierarchy.

The majority of our derivative contracts are valued using industry-standard models that use observable market inputs as their basis, such as time value, forward interest rates, volatility factors, and current (spot) and forward market prices for foreign exchange rates. We generally classify these instruments within Level 2 of the valuation hierarchy. Such derivatives include interest rate swaps, cross-currency swaps, foreign currency forward contracts and certain energy-related forward contracts (e.g., natural gas).

We classify derivative contracts that are valued based on models with significant unobservable market inputs as Level 3 of the valuation hierarchy. These derivatives include certain of our energy-related forward contracts (e.g., electricity) and certain foreign currency forward contracts. Models for these fair value measurements include inputs based on estimated future prices for periods beyond the term of the quoted prices.

FASB 157 requires that for Level 2 and 3 of the fair value hierarchy, where appropriate, valuations are adjusted for various factors such as liquidity, bid/offer spreads and credit considerations (nonperformance risk).

The following table presents our assets and liabilities that are measured and recognized at fair value on a recurring basis classified under the appropriate level of the fair value hierarchy as of March 31, 2009 (in millions).

	Fair Value Measurements Using			
	Level 1	Level 2	Level 3	Total
Successor:				
Assets — Derivative instruments	$—	$ 191	$ —	$ 191
Liabilities — Derivative instruments	$—	$(644)	$(44)	$(688)

Financial instruments classified as Level 3 in the fair value hierarchy represent derivative contracts (primarily energy-related and certain foreign currency forward contracts) in which at least one significant

unobservable input is used in the valuation model. We incurred $26 million of unrealized losses related to Level 3 financial instruments that were still held as of March 31, 2009. These unrealized losses are included in (Gain) loss on change in fair value of derivative instruments, net.

The following table presents a reconciliation of fair value activity for Level 3 derivative contracts on a net basis (in millions).

	Level 3 Derivative Instruments(A)
Successor:	
Balance as of April 1, 2008	$ 11
Net realized/unrealized (losses) included in earnings(B)	(10)
Net realized/unrealized (losses) included in Other comprehensive income (loss)(C)	(33)
Net purchases, issuances and settlements	(13)
Net transfers in and/or (out) of Level 3	1
Balance as of March 31, 2009	$ (44)

(A) Represents derivative assets net of derivative liabilities.

(B) Included in (Gain) loss on change in fair value of derivative instruments, net.

(C) Included in Change in fair value of effective portion of hedges, net.

FASB 107 Instruments

The table below is a summary of fair value estimates as of March 31, 2009 and 2008, for financial instruments, as defined by FASB 107, excluding short-term financial assets and liabilities, for which carrying amounts approximate fair value, and excluding financial instruments recorded at fair value on a recurring basis (FASB 157 instruments) (in millions).

	March 31,			
	2009		2008	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	Successor	*Successor*	*Successor*	*Successor*
Assets				
Long-term receivables from related parties	$ 23	$ 23	$ 41	$ 41
Liabilities				
Long-term debt				
Novelis Inc.				
7.25% Senior Notes, due February 2015	1,171	454	1,466	1,249
Floating rate Term Loan facility, due July 2014	295	200	298	298
Unsecured credit facility — related party, due January 2015	91	93	—	—
Novelis Corporation				
Floating rate Term Loan facility, due July 2014	813	584	655	655
Novelis Switzerland S.A.				
Capital lease obligation, due December 2019 (CHF 51 million)	42	36	50	43
Capital lease obligation, due August 2011 (CHF 3 million)	2	2	3	3

	March 31,			
	2009		2008	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	Successor	*Successor*	*Successor*	*Successor*
Novelis Korea Limited				
Bank loan, due October 2010	100	83	100	87
Bank loan, due February 2010 (KRW 50 billion)	37	33	—	—
Bank loan, due May 2009 (KRW 10 billion)	7	7	—	—
Bank loans, due September 2010 through June 2011 (KRW 308 million)	—	—	1	1
Other				
Other debt, due April 2009 through December 2012	1	1	2	2
Financial commitments				
Letters of credit	—	134	—	148

18. OTHER (INCOME) EXPENSES, NET

Other (income) expenses, net is comprised of the following (in millions).

	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
	Successor	*Successor*	*Predecessor*	*Predecessor*	*Predecessor*
Exchange (gains) losses, net	$ 98	$ (2)	$ 4	$ 6	$ (8)
Gain on reversal of accrued legal claims(A)	(26)	—	—	—	—
Brazilian tax settlement(B)	9	—	—	—	—
Impairment charges on long-lived assets	1	1	—	8	—
Loss on disposal of business	—	—	—	—	15
Gain on sale of equity interest in non-consolidated affiliate(C)	—	—	—	—	(15)
Gain on sale of rights to develop and operate hydroelectric power plants(D)	—	—	—	—	(11)
Losses on disposals of property, plant and equipment, net	—	—	—	—	5
Sale transaction fees	—	—	32	32	—
Other, net	4	(5)	(1)	1	(5)
Other (income) expenses, net	$ 86	$ (6)	$ 35	$ 47	$ (19)

(A) We recognized a $26 million gain on the reversal of a previously recorded legal accrual upon settlement in September 2008.

(B) Interest and penalty on Brazilian tax settlement. See Note 20 — Commitments and Contingencies *(Brazil Tax Matters)*.

(C) In November 2006, we sold the common and preferred shares of our 25% interest in Petrocoque to the other shareholders of Petrocoque for approximately $20 million. We recognized a pre-tax gain of approximately $15 million.

(D) During the fourth quarter of 2006, we sold our rights to develop and operate two hydroelectric power plants in South America and recorded a pre-tax gain of approximately $11 million.

19. INCOME TAXES

We are subject to Canadian and United States federal, state, and local income taxes as well as other foreign income taxes. The domestic (Canada) and foreign components of our Income (loss) before provision (benefit) for taxes on income (loss) (and after removing our Equity in net (income) loss of non-consolidated affiliates) are as follows (in millions).

	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
	Successor	*Successor*	*Predecessor*	*Predecessor*	*Predecessor*
Domestic (Canada)	$ (15)	$ (102)	$ (45)	$ (44)	$ (100)
Foreign (all other countries)	(1,981)	134	(50)	(14)	(194)
Pre-tax income (loss) before equity in net (income) loss on non-consolidated affiliates	$ (1,996)	$ 32	$ (95)	$ (58)	$ (294)

The components of the Income tax provision (benefit) are as follows (in millions).

	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
	Successor	*Successor*	*Predecessor*	*Predecessor*	*Predecessor*
Current provision (benefit):					
Domestic (Canada)	$ 7	$ 7	$ —	$ 1	$ 1
Foreign (all other countries)	78	71	21	15	72
Total current	85	78	21	16	73
Deferred provision (benefit):					
Domestic (Canada)	—	—	4	—	4
Foreign (all other countries)	(331)	(5)	(21)	(9)	(81)
Total deferred	(331)	(5)	(17)	(9)	(77)
Income tax provision (benefit)	$ (246)	$ 73	$ 4	$ 7	$ (4)

Novelis Inc.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The reconciliation of the Canadian statutory tax rates to our effective tax rates are shown below (in millions).

	Year Ended March 31, 2009 *Successor*	May 16, 2007 Through March 31, 2008 *Successor*	April 1, 2007 Through May 15, 2007 *Predecessor*	Three Months Ended March 31, 2007 *Predecessor*	Year Ended December 31, 2006 *Predecessor*
Pre-tax income (loss) before equity in net (income) loss on non-consolidated affiliates	$ (1,996)	$ 32	$ (95)	$ (58)	$ (294)
Canadian Statutory tax rate	31%	32%	33%	33%	33%
Provision (benefit) at the Canadian statutory rate	$ (619)	$ 10	$ (31)	$ (19)	$ (97)
Increase (decrease) for taxes on income (loss) resulting from:					
Non-deductible goodwill impairment	415	—	—	—	—
Exchange translation items	(4)	39	23	6	15
Exchange remeasurement of deferred income taxes	(48)	27	3	2	3
Change in valuation allowances	61	(6)	13	23	71
Tax credits and other allowances	(8)	(1)	—	—	—
Expense (income) items not subject to tax	3	5	(9)	1	13
Enacted tax rate changes	(7)	(17)	—	—	—
Tax rate differences on foreign earnings	(33)	2	2	(6)	(15)
Uncertain tax positions	2	17	—	—	—
Other, net	(8)	(3)	3	—	6
Income tax provision (benefit)	$ (246)	$ 73	$ 4	$ 7	$ (4)
Effective tax rate	12%	228%	(4)%	(12)%	1%

Our effective tax rate differs from the Canadian statutory rate primarily due to the following factors: (1) non-deductible impairment of goodwill; (2) pre-tax foreign currency gains or losses with no tax effect and the tax effect of U.S. dollar denominated currency gains or losses with no pre-tax effect, which is shown above as exchange translation items; (3) the remeasurement of deferred income taxes due to foreign currency changes, which is shown above as exchange remeasurement of deferred income taxes; (4) changes in valuation allowances primarily related to tax losses in certain jurisdictions where we believe it is more likely than not that we will not be able to utilize those losses; (5) the effects of enacted tax rate changes on cumulative taxable temporary differences; (6) differences between the Canadian statutory and foreign effective tax rates applied to entities in different jurisdictions shown above as tax rate differences on foreign earnings and (7) increases in uncertain tax positions recorded under the provisions of FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes* (FIN 48).

In connection with our spin-off from Alcan we entered into a tax sharing and disaffiliation agreement that provides indemnification if certain factual representations are breached or if certain transactions are undertaken or certain actions are taken that have the effect of negatively affecting the tax treatment of the spin-off. It further governs the disaffiliation of the tax matters of Alcan and its subsidiaries or affiliates other than us, on the one hand, and us and our subsidiaries or affiliates, on the other hand. In this respect it allocates taxes

accrued prior to the spin-off and after the spin-off as well as transfer taxes resulting therefrom. It also allocates obligations for filing tax returns and the management of certain pending or future tax contests and creates mutual collaboration obligations with respect to tax matters.

We enjoy the benefits of favorable tax holidays in various jurisdictions; however, the net impact of these tax holidays on our income tax provision (benefit) is immaterial.

Deferred Income Taxes

Deferred income taxes recognize the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the carrying amounts used for income tax purposes, and the impact of available net operating loss (NOL) and tax credit carryforwards. These items are stated at the enacted tax rates that are expected to be in effect when taxes are actually paid or recovered.

Our deferred income tax assets and deferred income tax liabilities are as follows (in millions).

	March 31,	
	2009	2008
	Successor	*Successor*
Deferred income tax assets:		
Provisions not currently deductible for tax purposes	$ 363	$ 324
Tax losses/benefit carryforwards, net	390	311
Depreciation and Amortization	85	91
Other assets	45	47
Total deferred income tax assets	883	773
Less: valuation allowance	(228)	(160)
Net deferred income tax assets	$ 655	$ 613
Deferred income tax liabilities:		
Depreciation and amortization	$ 774	$ 940
Inventory valuation reserves	55	134
Other liabilities	75	201
Total deferred income tax liabilities	$ 904	$ 1,275
Total deferred income tax liabilities	$ 904	$ 1,275
Less: Net deferred income tax assets	655	613
Net deferred income tax liabilities	$ 249	$ 662

FASB 109 requires that we reduce our deferred income tax assets by a valuation allowance if, based on the weight of the available evidence, it is more likely than not that all or a portion of a deferred tax asset will not be realized. After consideration of all evidence, both positive and negative, management concluded that it is more likely than not that we will not realize a portion of our deferred tax assets and that valuation allowances of $228 million and $160 million were necessary as of March 31, 2009 and 2008, respectively, as described below.

As of March 31, 2009, we had net operating loss carryforwards of approximately $354 million (tax effected) and tax credit carryforwards of $36 million, which will be available to offset future taxable income and tax liabilities, respectively. The carryforwards begin expiring in 2009 with some amounts being carried forward indefinitely. As of March 31, 2009, valuation allowances of $117 million and $17 million had been recorded against net operating loss carryforwards and tax credit carryforwards, respectively, where it appeared

more likely than not that such benefits will not be realized. The net operating loss carryforwards are predominantly in the U.S., the U.K., Canada, France, Italy, and Luxembourg.

As of March 31, 2008, we had net operating loss carryforwards of approximately $269 million (tax effected) and tax credit carryforwards of $42 million, which will be available to offset future taxable income and tax liabilities, respectively. The carryforwards began expiring in 2008 with some amounts being carried forward indefinitely. As of March 31, 2008, valuation allowances of $103 million and $21 million had been recorded against net operating loss carryforwards and tax credit carryforwards, respectively, where it appeared more likely than not that such benefit will not be realized. The net operating loss carryforwards are predominantly in the U.S., the U.K., Canada, France, and Italy.

Our valuation allowance increased $68 million (net) during the year ended March 31, 2009. Of this amount, $61 million was charged to expense.

Although realization is not assured, we believe that it is more likely than not that the remaining deferred income tax assets will be realized. In the near-term, the amount of deferred tax assets considered realizable could be reduced if we do not generate sufficient taxable income in certain jurisdictions.

We have undistributed earnings in our foreign subsidiaries. For those subsidiaries where the earnings are considered to be permanently reinvested, no provision for Canadian income taxes has been provided. Upon repatriation of those earnings, in the form of dividends or otherwise, we would be subject to both Canadian income taxes (subject to an adjustment for foreign taxes paid) and withholding taxes payable to the various foreign countries. For those subsidiaries where the earnings are not considered permanently reinvested, taxes have been provided as required. The determination of the unrecorded deferred income tax liability for temporary differences related to investments in foreign subsidiaries and foreign corporate joint ventures that are considered to be permanently reinvested is not considered practicable.

During the year ended March 31, 2009, Canadian legislation was enacted allowing us to elect to calculate and pay our Canadian tax liability in U.S. dollars. Our election is effective April 1, 2008, and due to a full valuation allowance against our net deferred tax asset position in Canada, the election has an immaterial effect on our deferred income tax assets and liabilities as of March 31, 2009.

Tax Uncertainties

Adoption of FASB Interpretation No. 48

In June 2006, the FASB issued Interpretation No. 48, *Accounting for Uncertainty in Income Taxes (*FIN 48) which clarifies the accounting for income taxes, by prescribing a minimum recognition threshold a tax position is required to meet before being recognized in the financial statements. FIN 48 also provides guidance on derecognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. Upon adoption of FIN 48 as of January 1, 2007, we increased our reserves for uncertain tax positions by $1 million. We recognized the increase as a cumulative effect adjustment to Shareholder's equity, as an increase to our *Retained earnings* (*Accumulated deficit)*. Including this adjustment, reserves for uncertain tax positions totaled $46 million as of January 1, 2007.

As of March 31, 2009 and March 31, 2008, the total amount of unrecognized benefits that, if recognized, would affect the effective income tax rate in future periods based on anticipated settlement dates is $46 million and $44 million, respectively. Of the March 31, 2009 amount, it is reasonably possible that the expiration of the statutes of limitations or examinations by taxing authorities will result in a decrease in the unrecognized tax benefits of $25 million related to potential withholding taxes and cross-border intercompany pricing of services rendered in various jurisdictions by March 31, 2010.

Separately, we are awaiting a court ruling regarding the utilization of certain operating losses. We anticipate that it is reasonably possible that this ruling will result in a $10 million decrease in unrecognized

tax benefits by March 31, 2010 related to this matter. We have fully funded this contingent liability through a judicial deposit, which is included in Other long-term assets — third parties since January 2007.

Tax authorities are currently examining certain of our tax returns for fiscal years 2004 through 2008. We are evaluating potential adjustments and we do not anticipate that settlement of the examinations will result in a material payout. With few exceptions, tax returns for all jurisdictions for all tax years before 2003 are no longer subject to examination by taxing authorities.

During the year ended March 31, 2009, taxing authorities in Germany concluded their audit of the tax years 1999-2003. As a result of the settlement, we reduced our unrecognized tax benefits by $10 million, including cash payments to taxing authorities of $6 million and a reduction to Goodwill of $4 million.

Our continuing practice and policy is to record potential interest and penalties related to unrecognized tax benefits in our Income tax provision (benefit). As of March 31, 2009 and March 31, 2008, we had $12 million and $14 million accrued for potential interest on income taxes, respectively. For the periods from May 16, 2007 through March 31, 2008; from April 1, 2007 through May 15, 2007 and for the three months ended March 31, 2007, our Income tax provision included a charge for an additional $5 million, $0.4 million and $1 million of potential interest, respectively.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows (in millions):

	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	Three Months Ended March 31, 2007
	Successor	*Successor*	*Predecessor*	*Predecessor*
Beginning balance	$ 61	$ 47	$ 46	$ 46
Additions based on tax positions related to the current period	1	2	—	—
Additions based on tax positions of prior years	3	7	—	1
Reductions based on tax positions of prior years	(3)	—	—	(1)
Settlements	(4)	—	—	—
Statute Lapses	(1)	—	—	—
Foreign Exchange	(6)	5	1	—
Ending Balance	$ 51	$ 61	$ 47	$ 46

Income Taxes Payable

Our consolidated balance sheets include income taxes payable of $85 million and $96 million as of March 31, 2009 and 2008, respectively. Of these amounts, $33 million and $35 million are reflected in Accrued expenses and other current liabilities as of March 31, 2009 and 2008, respectively.

20. COMMITMENTS AND CONTINGENCIES

Primary Supplier

Alcan is our primary supplier of metal inputs, including prime and sheet ingot. The table below shows our purchases from Alcan as a percentage of our total combined metal purchases.

	Year Ended March 31, 2009 *Successor*	May 16, 2007 Through March 31, 2008 *Successor*	April 1, 2007 Through May 15, 2007 *Predecessor*	Three Months Ended March 31, 2007 *Predecessor*	Year Ended December 31, 2006 *Predecessor*
Purchases from Alcan as a percentage of total combined prime and sheet ingot purchases in kt(A)	47%	35%	34%	35%	35%

(A) One kilotonne (kt) is 1,000 metric tonnes. One metric tonne is equivalent to 2,204.6 pounds.

Legal Proceedings

Coca-Cola Lawsuit. A lawsuit was commenced against Novelis Corporation on February 15, 2007 by Coca-Cola Bottler's Sales and Services Company LLC (CCBSS) in Georgia state court. CCBSS is a consortium of Coca-Cola bottlers across the United States, including Coca-Cola Enterprises Inc. CCBSS alleges that Novelis Corporation breached an aluminum can stock supply agreement between the parties, and seeks monetary damages in an amount to be determined at trial and a declaration of its rights under the agreement. The agreement includes a "most favored nations" provision regarding certain pricing matters. CCBSS alleges that Novelis Corporation breached the terms of the "most favored nations" provision. The dispute will likely turn on the facts that are presented to the court by the parties and the court's finding as to how certain provisions of the agreement ought to be interpreted. If CCBSS were to prevail in this litigation, the amount of damages would likely be material. Novelis Corporation has filed its answer and the parties are proceeding with discovery.

ARCO Aluminum Complaint. On May 24, 2007, Arco Aluminum Inc. (ARCO) filed a complaint against Novelis Corporation and Novelis Inc. in the United States District Court for the Western District of Kentucky. ARCO and Novelis are partners in a joint venture rolling mill located in Logan County, Kentucky. In the complaint, ARCO alleged that its consent was required in connection with Hindalco's acquisition of Novelis. Failure to obtain consent, ARCO alleged, put us in default of the joint venture agreements, thereby triggering certain provisions in those agreements. The provisions include a reversion of the production management at the joint venture to Logan Aluminum from Novelis, and a reduction of the board of directors of the entity that manages the joint venture from seven members (four appointed by Novelis and three appointed by ARCO) to six members (three appointed by each of Novelis and ARCO).

ARCO sought a court declaration that (1) Novelis and its affiliates are prohibited from exercising any managerial authority or control over the joint venture, (2) Novelis' interest in the joint venture is limited to an economic interest only and (3) ARCO has authority to act on behalf of the joint venture. Alternatively, ARCO sought a reversion of the production management function to Logan Aluminum, and a change in the composition of the board of directors of the entity that manages the joint venture. Novelis filed its answer to the complaint on July 16, 2007.

On July 3, 2007, ARCO filed a motion for partial summary judgment with respect to one of the counts of its complaint relating to the claim that Novelis breached the joint venture agreement by not seeking ARCO's consent. On July 30, 2007, Novelis filed a motion to hold ARCO's motion for summary judgment in abeyance (pending further discovery), along with a demand for a jury. On February 14, 2008, the judge issued an order

granting our motion to hold ARCO's summary judgment motion in abeyance. Following this ruling, the joint venture continued to conduct operational, management and board activities as normal.

On June 4, 2009, ARCO and Novelis entered into a settlement agreement to address and resolve all matters at issue in the lawsuit, including the Logan Joint Venture governance issues. On June 22, 2009, the parties requested an order from the United States District Court for the Western District of Kentucky to dismiss the lawsuit with prejudice. As a result of the settlement, among other things, Novelis will retain control of the Logan board of directors, production management responsibilities will revert to Logan, and certain Novelis employees who work at Logan will become employees of Logan.

Environmental Matters

The following describes certain environmental matters relating to our business.

We are involved in proceedings under the U.S. Comprehensive Environmental Response, Compensation, and Liability Act, also known as CERCLA or Superfund, or analogous state provisions regarding liability arising from the usage, storage, treatment or disposal of hazardous substances and wastes at a number of sites in the United States, as well as similar proceedings under the laws and regulations of the other jurisdictions in which we have operations, including Brazil and certain countries in the European Union. Many of these jurisdictions have laws that impose joint and several liability, without regard to fault or the legality of the original conduct, for the costs of environmental remediation, natural resource damages, third party claims, and other expenses. In addition, we are, from time to time, subject to environmental reviews and investigations by relevant governmental authorities.

As described further in the following paragraph, we have established procedures for regularly evaluating environmental loss contingencies, including those arising from such environmental reviews and investigations and any other environmental remediation or compliance matters. We believe we have a reasonable basis for evaluating these environmental loss contingencies, and we believe we have made reasonable estimates of the costs that are likely to be borne by us for these environmental loss contingencies. Accordingly, we have established reserves based on our reasonable estimates for the currently anticipated costs associated with these environmental matters. We estimate that the undiscounted remaining clean-up costs related to all of our known environmental matters as of March 31, 2009 will be approximately $52 million. Of this amount, $38 million is included in Other long-term liabilities, with the remaining $14 million included in Accrued expenses and other current liabilities in our consolidated balance sheet as of March 31, 2009. Management has reviewed the environmental matters, including those for which we assumed liability as a result of our spin-off from Alcan. As a result of this review, management has determined that the currently anticipated costs associated with these environmental matters will not, individually or in the aggregate, materially impair our operations or materially adversely affect our financial condition, results of operations or liquidity.

With respect to environmental loss contingencies, we record a loss contingency on whenever such contingency is probable and reasonably estimable. The evaluation model includes all asserted and unasserted claims that can be reasonably identified. Under this evaluation model, the liability and the related costs are quantified based upon the best available evidence regarding actual liability loss and cost estimates. Except for those loss contingencies where no estimate can reasonably be made, the evaluation model is fact-driven and attempts to estimate the full costs of each claim. Management reviews the status of, and estimated liability related to, pending claims and civil actions on a quarterly basis. The estimated costs in respect of such reported liabilities are not offset by amounts related to cost-sharing between parties, insurance, indemnification arrangements or contribution from other potentially responsible parties (PRPs) unless otherwise noted.

Butler Tunnel Site. Novelis Corporation was a party in a 1989 U.S. Environmental Protection Agency (EPA) lawsuit before the U.S. District Court for the Middle District of Pennsylvania involving the Butler Tunnel Superfund site, a third-party disposal site. In May 1991, the court granted summary judgment against Novelis Corporation for alleged disposal of hazardous waste. After unsuccessful appeals, Novelis Corporation paid the entire judgment plus interest.

The EPA filed a second cost recovery action against Novelis Corporation seeking recovery of expenses associated with the installation of an early warning and response system for potential future releases from the Butler Tunnel site. In January 2008, Novelis Corporation and the Department of Justice, on behalf of the EPA, entered into a consent decree whereby Novelis Corporation agreed to pay approximately $2 million in three installments in settlement of its liability with the U.S. government. This settlement has been fully paid.

Prior to the execution of the Novelis Corporation consent decree, the EPA entered into consent decrees with the other Butler Tunnel PRPs to finance and construct the early warning and response system. On October 30, 2008, the trustee for the PRPs provided a detailed analysis of the past and future costs associated with the implementation of the early warning system and advised us of their intention to file a contribution action against us.

On February 3, 2009, Butler Tunnel PRPs and Novelis Corporation entered into a settlement agreement resolving the contribution claims. On March 5, 2009, pursuant to these agreements, Novelis Corporation remitted its settlement payment of past costs in the amount of approximately $1 million. As part of the settlement, Novelis became a member of the PRP group. Accordingly, Novelis bears an allocated share of certain future costs in the approximate annual amount of $75,000 between 2009 and 2018 related to the costs to complete and maintain the early warning and response system at the Butler Tunnel site.

In December 2005, the United States Environmental Protection Agency (USEPA) issued a Notice of Violation (NOV) to the Company's subsidiary, Logan Aluminum, Inc. (Logan), alleging violations of Logan's Title V Operating Permit, which regulates emissions of air pollutants from the facility. In March 2006, the Kentucky Department of Environmental Protection (KDEP) issued a separate NOV to Logan alleging other violations of the Title V Operating Permit. In March 2009, as a result of these enforcement actions, Logan agreed to install new air pollution control equipment. Logan has also agreed to settle the USEPA NOV, including the payment of a civil penalty of $285,000. The KDEP NOV is currently subject to a Tolling Agreement with the state agency.

Brazil Tax Matters

Primarily as a result of legal proceedings with Brazil's Ministry of Treasury regarding certain taxes in South America, as of March 31, 2009 and 2008, we had cash deposits aggregating approximately $30 million and $36 million, respectively, in judicial depository accounts pending finalization of the related cases. The depository accounts are in the name of the Brazilian government and will be expended towards these legal proceedings or released to us, depending on the outcome of the legal cases. These deposits are included in Other long-term assets — third parties in our accompanying consolidated balance sheets. In addition, we are involved in several disputes with Brazil's Ministry of Treasury about various forms of manufacturing taxes and social security contributions, for which we have made no judicial deposits but for which we have established reserves ranging from $6 million to $118 million as of March 31, 2009. In total, these reserves approximate $135 million as of March 31, 2009 and are included in Other long-term liabilities in our accompanying consolidated balance sheet.

On May 28, 2009, the Brazilian government passed a law allowing taxpayers to settle certain federal tax disputes with the Brazilian tax authorities, including disputes relating to a Brazilian national tax on manufactured products, through an installment program. Pursuant to the installment plan, companies can elect to (a) pay the principal amount of the disputed tax amounts over a near-term period (e.g., 1-60 monthly

installments) and receive a 35-45% discount on the interest and 80-100% discount on the penalties owed, (b) pay the principal and interest over a medium-term period (e.g., 60-120 monthly installments) and receive a 30-35% discount on the interest and 70-80% discount on the penalties owed, or (c) pay the full amount of the disputed tax amounts, including interest and penalties, over a longer-term period (e.g., 120-180 monthly installments) and receive a 25-30% discount on the interest and 60-70% discount on the penalties owed. Novelis has already joined the installment plan. However, we will announce (a) the amount of the tax disputes that will be settled and (b) the number of installments elected once the Ministry of Treasury enacts the final installment plan regulations.

Guarantees of Indebtedness

We have issued guarantees on behalf of certain of our subsidiaries and non-consolidated affiliates, including certain of our wholly-owned subsidiaries and Aluminium Norf GmbH, which is a fifty percent (50%) owned joint venture that does not meet the requirements for consolidation under FIN 46(R).

In the case of our wholly-owned subsidiaries, the indebtedness guaranteed is for trade accounts payable to third parties. Some of the guarantees have annual terms while others have no expiration and have termination notice requirements. Neither we nor any of our subsidiaries or non-consolidated affiliates holds any assets of any third parties as collateral to offset the potential settlement of these guarantees.

Since we consolidate wholly-owned and majority-owned subsidiaries in our consolidated financial statements, all liabilities associated with trade payables and short-term debt facilities for these entities are already included in our consolidated balance sheets.

The following table discloses information about our obligations under guarantees of indebtedness as of March 31, 2009 (in millions). We did not have obligations under guarantees of indebtedness related to our majority-owned subsidiaries as of March 31, 2009.

Type of Entity	Maximum Potential Future Payment	Liability Carrying Value
Wholly-owned subsidiaries	$ 50	$ 14
Aluminium Norf GmbH	13	—

We have no retained or contingent interest in assets transferred to an unconsolidated entity or similar entity or similar arrangement that serves as credit, liquidity or market risk support to that entity for such assets.

21. SEGMENT, GEOGRAPHICAL AREA AND MAJOR CUSTOMER INFORMATION

Segment Information

Due in part to the regional nature of supply and demand of aluminum rolled products and in order to best serve our customers, we manage our activities on the basis of geographical areas and are organized under four operating segments: North America; Europe; Asia and South America.

Corporate and Other includes functions that are managed directly from our corporate office, which focuses on strategy development and oversees governance, policy, legal compliance, human resources and finance matters. These expenses have not been allocated to the regions. It also includes realized gains (losses) on corporate derivative instruments, consolidating and other elimination accounts.

We measure the profitability and financial performance of our operating segments, based on Segment income, in accordance with FASB Statement No. 131, *Disclosure About the Segments of an Enterprise and Related Information.* Segment income provides a measure of our underlying segment results that is in line with our portfolio approach to risk management. We define Segment income as earnings before (a) depreciation and amortization; (b) interest expense and amortization of debt issuance costs; (c) interest income;

(d) unrealized gains (losses) on change in fair value of derivative instruments, net; (e) impairment of goodwill; (f) impairment charges on long-lived assets (other than goodwill); (g) gain on extinguishment of debt; (h) noncontrolling interests' share; (i) adjustments to reconcile our proportional share of Segment income from non-consolidated affiliates to income as determined on the equity method of accounting; (k) restructuring charges, net; (k) gains or losses on disposals of property, plant and equipment and businesses, net; (l) other costs, net; (m) litigation settlement, net of insurance recoveries; (n) sale transaction fees; (o) income tax provision (benefit) (p) cumulative effect of accounting change, net of tax.

Net sales and expenses are measured in accordance with the policies and procedures described in Note 1 — Business and Summary of Significant Accounting Policies.

For Segment income purposes we only include the impact of the derivative gains or losses to the extent they are settled in cash (i.e., realized) during that period.

The following is a description of our operating segments:

- *North America.* Headquartered in Cleveland, Ohio, this segment manufactures aluminum sheet and light gauge products and operates 11 plants, including two fully dedicated recycling facilities, in two countries.
- *Europe.* Headquartered in Zurich, Switzerland, this segment manufactures aluminum sheet and light gauge products and operates 14 plants, including one recycling facility, in six countries.
- *Asia.* Headquartered in Seoul, South Korea, this segment manufactures aluminum sheet and light gauge products and operates three plants in two countries.
- *South America.* Headquartered in Sao Paulo, Brazil, this segment comprises bauxite mining, alumina refining, smelting operations, power generation, carbon products, aluminum sheet and light gauge products and operates four plants in Brazil.

Adjustment to Eliminate Proportional Consolidation. The financial information for our segments includes the results of our non-consolidated affiliates on a proportionately consolidated basis, which is consistent with the way we manage our business segments. However, under GAAP, these non-consolidated affiliates are accounted for using the equity method of accounting. Therefore, in order to reconcile the financial information for the segments shown in the tables below to the GAAP-based measure, we must remove our proportional share of each line item that we included in the segment amounts. See Note 10 — Investment in and Advances to Non-Consolidated Affiliates and Related Party Transactions for further information about these non-consolidated affiliates.

The tables below show selected segment financial information (in millions).

Selected Segment Financial Information

Selected Operating Results Year Ended March 31, 2009 *(Successor)*	Reportable Segments				Corporate and Other	Adjustment to Eliminate Proportional Consolidation	Total
	North America	Europe	Asia	South America			
Net sales	$ 3,930	$ 3,718	$ 1,536	$ 1,007	$ —	$ (14)	$ 10,177
Write-off and amortization of fair value adjustments	218	7	—	—	8	—	233
Depreciation and amortization	166	226	50	72	3	(78)	439
Income tax provision (benefit)	(156)	(13)	(8)	(62)	9	(16)	(246)
Capital expenditures	42	76	20	25	2	(20)	145
Total assets as of March 31, 2009	$ 2,973	$ 2,750	$ 732	$ 1,296	$ 50	$ (234)	$ 7,567

Novelis Inc.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Selected Operating Results May 16, 2007 Through March 31, 2008 *(Successor)*	Reportable Segments: North America	Europe	Asia	South America	Corporate and Other	Adjustment to Eliminate Proportional Consolidation	Total
Net sales	$ 3,655	$ 3,828	$ 1,602	$ 885	$ —	$ (5)	$ 9,965
Write-off and amortization of fair value adjustments	242	(8)	(11)	(9)	7	—	221
Depreciation and amortization	140	176	52	62	1	(56)	375
Income tax provision (benefit)	23	(70)	1	69	16	34	73
Capital expenditures	42	98	28	28	3	(14)	185
Total assets as of March 31, 2008	$ 3,957	$ 4,355	$ 1,080	$ 1,485	$ 59	$ (199)	$ 10,737

Selected Operating Results April 1, 2007 Through May 15, 2007 *(Predecessor)*	Reportable Segments: North America	Europe	Asia	South America	Corporate and Other	Adjustment to Eliminate Proportional Consolidation	Total
Net sales	$ 446	$ 510	$ 216	$ 109	$ —	$ —	$ 1,281
Depreciation and amortization	7	11	7	5	1	(3)	28
Income tax provision (benefit)	(19)	10	—	14	(1)	—	4
Capital expenditures	4	8	4	3	1	(3)	17

Selected Operating Results Three Months Ended March 31, 2007 *(Predecessor)*	Reportable Segments: North America	Europe	Asia	South America	Corporate and Other	Adjustment to Eliminate Proportional Consolidation	Total
Net sales	$ 925	$ 1,057	$ 413	$ 235	$ —	$ —	$ 2,630
Depreciation and amortization	16	24	14	11	1	(8)	58
Income tax provision (benefit)	(10)	6	—	11	—	—	7
Capital expenditures	9	11	3	4	1	(4)	24

Selected Operating Results Year Ended December 31, 2006 *(Predecessor)*	Reportable Segments: North America	Europe	Asia	South America	Corporate and Other	Adjustment to Eliminate Proportional Consolidation	Total
Net sales	$ 3,691	$ 3,620	$ 1,692	$ 863	$ —	$ (17)	$ 9,849
Depreciation and amortization	70	92	55	44	4	(32)	233
Income tax provision (benefit)	(111)	29	11	63	9	(5)	(4)
Capital expenditures	39	45	21	26	3	(18)	116

Novelis Inc.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table shows the reconciliation from Total Segment income (loss) to Net loss attributable to our common shareholder (in millions).

	Year Ended March 31, 2009 *Successor*	May 16, 2007 Through March 31, 2008 *Successor*	April 1, 2007 Through May 15, 2007 *Predecessor*	Three Months Ended March 31, 2007 *Predecessor*	Year Ended December 31, 2006 *Predecessor*
Income from reportable segments:					
North America	$ 82	$ 266	$ (24)	$ (17)	$ 20
Europe	236	241	32	85	245
Asia	86	46	6	16	82
South America	139	143	18	57	165
	543	696	32	141	512
Corporate and other(A)	(55)	(46)	(38)	(29)	(170)
Depreciation and amortization	(439)	(375)	(28)	(58)	(233)
Interest expense and amortization of debt issuance costs	(182)	(191)	(27)	(54)	(221)
Interest income	14	18	1	4	15
Unrealized gains (losses) on change in fair value of derivative instruments, net(B)	(519)	(8)	5	(1)	(151)
Impairment of goodwill	(1,340)	—	—	—	—
Gain on extinguishment of debt	122	—	—	—	—
Impairment charges on long-lived assets	(1)	(1)	—	(8)	—
Adjustment to eliminate proportional consolidation(C)	(226)	(36)	(7)	(9)	(35)
Restructuring charges, net	(95)	(6)	(1)	(9)	(19)
Loss on disposals of assets, net	—	—	—	—	(20)
Other costs, net(D)	10	6	(31)	(32)	44
Income (loss) before income taxes	(2,168)	57	(94)	(55)	(278)
Income tax provision (benefit)	(246)	73	4	7	(4)
Net loss	(1,922)	(16)	(98)	(62)	(274)
Net income (loss) attributable to noncontrolling interests	(12)	4	(1)	2	1
Net loss attributable to our common shareholder	$ (1,910)	$ (20)	$ (97)	$ (64)	$ (275)

(A) Corporate and other includes functions that are managed directly from our corporate office, which focuses on strategy development and oversees governance, policy, legal compliance, human resources and finance matters. These expenses have not been allocated to the regions. It also includes realized gains (losses) on corporate derivative instruments.

(B) Unrealized gains (losses) on change in fair value of derivative instruments, net represents the portion of gains (losses) that were not settled in cash during the period. Total realized and unrealized gains (losses) are shown in the table below and are included in the aggregate each period in (Gain) loss on change in fair value of derivative instruments, net on our consolidated statements of operations.

(C) Our financial information for our segments (including Segment income) includes the results of our non-consolidated affiliates on a proportionately consolidated basis, which is consistent with the way we manage our business segments. However, under GAAP, these non-consolidated affiliates are accounted for using the equity method of accounting. Therefore, in order to reconcile Total Segment income to Net loss, the proportional Segment income of these non-consolidated affiliates is removed from Total Segment income, net of our share of their net after-tax results, which is reported as Equity in net (income) loss of non-consolidated affiliates on our consolidated statements of operations. The adjustment to eliminate proportional consolidation for the year ended March 31, 2009 includes a $160 million impairment charge related to our investment in Norf. See Note 10 — Investment in and Advances to Non-Consolidated Affiliates and Related Party Transactions for further information about these non-consolidated affiliates.

(D) Other costs, net for the year ended March 31, 2009 include a $26 million non-cash gain on reversal of a legal accrual, as well as a $9 million charge for a tax settlement in Brazil. Sales transaction fees of $32 million were recorded in both the three months ended March 31, 2007 and the period April 1, 2007 through May 15, 2007. In the year ended December 31, 2006, Other costs, net includes a $15 million gain on sale of equity interest in non-consolidated affiliates and an $11 million gain on sale of rights to develop and operate hydroelectric power plants (see Note 18 — Other (Income) Expenses, net).

	Year Ended March 31, 2009 *Successor*	May 16, 2007 Through March 31, 2008 *Successor*	April 1, 2007 Through May 15, 2007 *Predecessor*	Three Months Ended March 31, 2007 *Predecessor*	Year Ended December 31, 2006 *Predecessor*
(Gains) losses on change in fair value of derivative instruments, net:					
Realized and included in Segment income	$ 41	$ (14)	$ (18)	$ (33)	$ (249)
Realized on corporate derivative instruments	(4)	(16)	3	2	35
Unrealized	519	8	(5)	1	151
(Gains) losses on change in fair value of derivative instruments, net	$ 556	$ (22)	$ (20)	$ (30)	$ (63)

Geographical Area Information

We had 32 operating facilities in 11 countries as of March 31, 2009. The tables below present Net sales and Long-lived assets by geographical area (in millions). Net sales are attributed to geographical areas based on the origin of the sale. Long-lived assets are attributed to geographical areas based on asset location and exclude investments in and advances to our non-consolidated affiliates.

	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
	Successor	*Successor*	*Predecessor*	*Predecessor*	*Predecessor*
Net sales:					
United States	$ 3,685	$ 3,419	$ 427	$ 870	$ 3,474
Asia and Other Pacific	1,536	1,602	216	413	1,691
Brazil	1,006	880	109	235	847
Canada	243	236	19	55	217
Germany	2,439	2,508	212	651	2,263
United Kingdom	347	445	79	136	428
Other Europe	921	875	219	270	929
Total Net sales	$ 10,177	$ 9,965	$ 1,281	$ 2,630	$ 9,849

	March 31, 2009	March 31, 2008
	Successor	*Successor*
Long-lived assets:		
United States	$ 1,902	$ 2,566
Asia and Other Pacific	384	565
Brazil	768	967
Canada	171	514
Germany	415	247
United Kingdom	51	170
Other Europe	477	1,146
Total long-lived assets	$ 4,168	$ 6,175

Major Customer Information

All of our operating segments had Net sales to Rexam Plc (Rexam), our largest customer. The table below shows our net sales to Rexam as a percentage of total Net sales.

	Year Ended March 31, 2009	May 16, 2007 Through March 31, 2008	April 1, 2007 Through May 15, 2007	Three Months Ended March 31, 2007	Year Ended December 31, 2006
	Successor	*Successor*	*Predecessor*	*Predecessor*	*Predecessor*
Net sales to Rexam as a percentage of total net sales	17%	15%	14%	16%	14%

22. SUPPLEMENTAL CASH FLOW INFORMATION

The following table shows non-cash investing and financing activities related to the Acquisition of Novelis Common Stock.

	May 16, 2007 Through March 31, 2008 *Successor*
Supplemental schedule of non-cash investing and financing activities related to the Acquisition of Novelis Common Stock:	
Property, plant and equipment	$ (1,344)
Goodwill	(1,625)
Intangible assets	(893)
Investment in and advances to non-consolidated affiliates	(776)
Debt	66

23. QUARTERLY RESULTS

During the fourth quarter of fiscal 2009, we identified errors in our interim financial statements included in previously filed fiscal 2009 Form 10-Qs. We deemed the correction of these errors to be both quantitatively and qualitatively immaterial after consideration of SEC Staff Accounting Bulleting (SAB) No. 99, *Materiality,* as well as SEC SAB No. 108, *Considering the Effects of Prior Year Misstatements When Quantifying Misstatements in Current Year Financial Statements* (SAB 108). These adjustments will be reflected when the affected periods are presented in future interim reports. The following summarizes these immaterial errors:

- We identified that a customer sales contract included certain terms which, when elected by the customer, result in the recognition of a derivative under FASB 133. As changes in the valuation of the derivative associated with this arrangement were not previously recognized in our financial statements, the amounts previously reported in (Gain) loss on change in fair value of derivative instruments, net were misstated for the quarters ended June 30, 2008, September 30, 2008 and December 31, 2008 by $1 million, $(4) million and $(8) million, respectively. This error increased (decreased) previously reported net income (loss) attributable to our common shareholder by $(1) million, $2 million and $5 million for the quarters ended June 30, 2008, September 30, 2008 and December 31, 2008, respectively.
- We determined that there was an error in our valuation of certain of our cross-currency swap derivative instruments. As a result, the amounts previously reported in (Gain) loss on change in fair value of derivative instruments, net were misstated for the quarters ended September 30, 2008 and December 31, 2008 by $4 million and $(1) million, respectively. This error increased (decreased) previously reported net income (loss) attributable to our common shareholder by $(3) million and $1 million for the quarters ended September 30, 2008 and December 31, 2008, respectively.

Novelis Inc.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The table below presents select operating results (in millions) and dividends per common share information by period. Certain reclassifications of prior period quarterly amounts have been made to conform to the presentation adopted for the current year as discussed in Note 1. Also, the quarterly results below reflect the correction of the aforementioned errors.

	(Unaudited) Quarter Ended			
	June 30, 2008(A)	September 30, 2008(A)	December 31, 2008(A)	March 31, 2009
	Successor	*Successor*	*Successor*	*Successor*
Net sales	$ 3,103	$ 2,959	$ 2,176	$ 1,939
Cost of goods sold (exclusive of depreciation and amortization shown below)	2,831	2,791	2,023	1,606
Selling, general and administrative expenses	84	89	73	73
Depreciation and amortization	116	107	107	109
Research and development expenses	12	10	11	8
Interest expense and amortization of debt issuance costs	45	46	47	44
Interest income	(5)	(5)	(3)	(1)
(Gain) loss on change in fair value of derivative instruments, net	(65)	185	396	40
Impairment of goodwill	—	—	1,340	—
Gain on extinguishment of debt	—	—	—	(122)
Restructuring charges, net	(1)	—	15	81
Equity in net (income) loss of non-consolidated affiliates	2	(2)	166	6
Other (income) expenses, net	23	10	20	33
Income tax provision (benefit)	35	(168)	(196)	83
Net income (loss)	26	(104)	(1,823)	(21)
Net income (loss) attributable to noncontrolling interests	2	—	(9)	(5)
Net income (loss) attributable to our common shareholder	$ 24	$ (104)	$ (1,814)	$ (16)
Dividends per common share	$ 0.00	$ 0.00	$ 0.00	$ 0.00

(A) As revised.

Novelis Inc.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Quarter Ended March 31, 2007 *Predecessor*	April 1, 2007 Through May 15, 2007 *Predecessor*	May 16, 2007 Through June 30, 2007(B) *Successor*	Quarter Ended September 30, 2007(B) *Successor*	Quarter Ended December 31, 2007(B) *Successor*	Quarter Ended March 31, 2008(B) *Successor*
Net sales	$ 2,630	$ 1,281	$ 1,547	$ 2,821	$ 2,735	$ 2,862
Cost of goods sold (exclusive of depreciation and amortization shown below)	2,447	1,205	1,436	2,555	2,474	2,577
Selling, general and administrative expenses	99	95	42	88	99	90
Depreciation and amortization	58	28	53	103	108	111
Research and development expenses	8	6	13	10	11	12
Interest expense and amortization of debt issuance costs	54	27	28	60	53	50
Interest income	(4)	(1)	(3)	(4)	(6)	(5)
(Gain) loss on change in fair value of derivative instruments , net	(30)	(20)	(14)	30	56	(94)
Restructuring charges, net	9	1	1	—	1	4
Equity in net (income) loss of non-consolidated affiliates	(3)	(1)	1	(20)	3	(9)
Other (income) expenses, net	47	35	10	(2)	(17)	3
Income tax provision	7	4	27	20	26	—
Net income (loss)	(62)	(98)	(47)	(19)	(73)	123
Net income (loss) attributable to noncontrolling interests	2	(1)	(2)	—	—	6
Net income (loss) attributable to our common shareholder	$ (64)	$ (97)	$ (45)	$ (19)	$ (73)	$ 117
Dividends per common share	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00

(B) Unaudited.

24. SUPPLEMENTAL GUARANTOR INFORMATION

In connection with the issuance of our Senior Notes, certain of our wholly-owned subsidiaries provided guarantees of the Senior Notes. These guarantees are full and unconditional as well as joint and several. The guarantor subsidiaries (the Guarantors) comprise the majority of our businesses in Canada, the U.S., the U.K., Brazil and Switzerland, as well as certain businesses in Germany. Certain Guarantors may be subject to restrictions on their ability to distribute earnings to Novelis Inc. (the Parent). The remaining subsidiaries (the Non-Guarantors) of the Parent are not guarantors of the Senior Notes.

The following information presents consolidating statements of operations, consolidating balance sheets and condensed consolidating statements of cash flows of the Parent, the Guarantors and the Non-Guarantors. Investments include investment in and advances to non-consolidated affiliates as well as investments in net assets of divisions included in the Parent, and have been presented using the equity method of accounting.

NOVELIS INC.

CONSOLIDATING STATEMENT OF OPERATIONS
(In millions)

	Year Ended March 31, 2009 — *Successor*				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
Net sales	$ 1,186	$ 8,421	$ 2,647	$ (2,077)	$ 10,177
Cost of goods sold (exclusive of depreciation and amortization shown below)	1,182	7,679	2,467	(2,077)	9,251
Selling, general and administrative expenses	9	242	68	—	319
Depreciation and amortization	16	328	95	—	439
Research and development expenses	29	10	2	—	41
Interest expense and amortization of debt issuance costs	114	134	23	(89)	182
Interest income	(78)	(15)	(10)	89	(14)
(Gain) loss on change in fair value of derivative instruments, net	5	511	40	—	556
Impairment of goodwill	—	1,340	—	—	1,340
Gain on extinguishment of debt, net	(67)	(55)	—	—	(122)
Restructuring charges, net	5	74	16	—	95
Equity in net (income) loss of non-consolidated affiliates	1,890	172	—	(1,890)	172
Other (income) expenses, net	(14)	11	89	—	86
	3,091	10,431	2,790	(3,967)	12,345
Income (loss) before income taxes	(1,905)	(2,010)	(143)	1,890	(2,168)
Income tax provision (benefit)	5	(237)	(14)	—	(246)
Net income (loss)	(1,910)	(1,773)	(129)	1,890	(1,922)
Net loss attributable to noncontrolling interests	—	—	(12)	—	(12)
Net loss attributable to our common shareholder	$ (1,910)	$ (1,773)	$ (117)	$ 1,890	$ (1,910)

NOVELIS INC.

CONSOLIDATING STATEMENTS OF OPERATIONS
(In millions)

	May 16, 2007 Through March 31, 2008 — *Successor*				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
Net sales	$ 1,300	$ 8,266	$ 2,701	$ (2,302)	$ 9,965
Cost of goods sold (exclusive of depreciation and amortization shown below)	1,294	7,504	2,546	(2,302)	9,042
Selling, general and administrative expenses	40	210	69	—	319
Depreciation and amortization	19	294	62	—	375
Research and development expenses	27	17	2	—	46
Interest expense and amortization of debt issuance costs	124	135	34	(102)	191
Interest income	(90)	(17)	(13)	102	(18)
(Gain) loss on change in fair value of derivative instruments, net	8	(13)	(17)	—	(22)
Restructuring charges, net	—	2	4	—	6
Equity in net (income) loss of non-consolidated affiliates	(83)	(25)	—	83	(25)
Other (income) expenses, net	(33)	6	21	—	(6)
	1,306	8,113	2,708	(2,219)	9,908
Income (loss) before income taxes	(6)	153	(7)	(83)	57
Income tax provision (benefit)	14	53	6	—	73
Net income (loss)	(20)	100	(13)	(83)	(16)
Net income attributable to noncontrolling interests	—	—	4	—	4
Net income (loss) attributable to our common shareholder	$ (20)	$ 100	$ (17)	$ (83)	$ (20)

NOVELIS INC.

CONSOLIDATING STATEMENTS OF OPERATIONS
(In millions)

	April 1, 2007 Through May 15, 2007 — *Predecessor*				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
Net sales	$ 129	$ 1,020	$ 359	$ (227)	$ 1,281
Cost of goods sold (exclusive of depreciation and amortization shown below)	131	961	340	(227)	1,205
Selling, general and administrative expenses	29	51	15	—	95
Depreciation and amortization	2	18	8	—	28
Research and development expenses	5	1	—	—	6
Interest expense and amortization of debt issuance costs	12	21	4	(10)	27
Interest income	(9)	(1)	(1)	10	(1)
(Gain) loss on change in fair value of derivative instruments, net	(2)	(19)	1	—	(20)
Restructuring charges, net	—	1	—	—	1
Equity in net (income) loss of non-consolidated affiliates	29	(1)	—	(29)	(1)
Other (income) expenses, net	29	8	(2)	—	35
	226	1,040	365	(256)	1,375
Income (loss) before income taxes	(97)	(20)	(6)	29	(94)
Income tax provision (benefit)	—	3	1	—	4
Net income (loss)	(97)	(23)	(7)	29	(98)
Net loss attributable to noncontrolling interests	—	—	(1)	—	(1)
Net loss attributable to our common shareholder	$ (97)	$ (23)	$ (6)	$ 29	$ (97)

NOVELIS INC.

CONSOLIDATING STATEMENTS OF OPERATIONS
(In millions)

	Three Months Ended March 31, 2007 — *Predecessor*				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
Net sales	$ 378	$ 2,228	$ 723	$ (699)	$ 2,630
Cost of goods sold (exclusive of depreciation and amortization shown below)	377	2,094	675	(699)	2,447
Selling, general and administrative expenses	10	69	20	—	99
Depreciation and amortization	3	38	17	—	58
Research and development expenses	5	2	1	—	8
Interest expense and amortization of debt issuance costs	32	42	7	(27)	54
Interest income	(25)	(3)	(3)	27	(4)
(Gain) loss on change in fair value of derivative instruments , net	2	(29)	(3)	—	(30)
Restructuring charges, net	—	9	—	—	9
Equity in net (income) loss of non-consolidated affiliates	11	(3)	—	(11)	(3)
Other (income) expenses, net	27	17	3	—	47
	442	2,236	717	(710)	2,685
Income (loss) before income taxes	(64)	(8)	6	11	(55)
Income tax provision (benefit)	—	5	2	—	7
Net income (loss)	(64)	(13)	4	11	(62)
Net income attributable to noncontrolling interests	—	—	2	—	2
Net income (loss) attributable to our common shareholder	$ (64)	$ (13)	$ 2	$ 11	$ (64)

NOVELIS INC.

CONSOLIDATING STATEMENTS OF OPERATIONS
(In millions)

	Year Ended December 31, 2006 — *Predecessor*				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
Net sales	$ 1,572	$ 8,340	$ 2,822	$ (2,885)	$ 9,849
Cost of goods sold (exclusive of depreciation and amortization shown below)	1,522	8,010	2,670	(2,885)	9,317
Selling, general and administrative expenses	72	269	69	—	410
Depreciation and amortization	15	153	65	—	233
Research and development expenses	28	12	—	—	40
Interest expense and amortization of debt issuance costs	145	152	31	(107)	221
Interest income	(97)	(12)	(13)	107	(15)
(Gain) loss on change in fair value of derivative instruments , net	49	(128)	16	—	(63)
Restructuring charges, net	—	16	3	—	19
Equity in net (income) loss of non-consolidated affiliates	115	(16)	—	(115)	(16)
Other (income) expenses, net	(11)	4	(12)	—	(19)
	1,838	8,460	2,829	(3,000)	10,127
Income (loss) before income taxes	(266)	(120)	(7)	115	(278)
Income tax provision (benefit)	9	(28)	15	—	(4)
Net income (loss)	(275)	(92)	(22)	115	(274)
Net income attributable to noncontrolling interests	—	—	1	—	1
Net income (loss) attributable to our common shareholder	$ (275)	$ (92)	$ (23)	$ 115	$ (275)

NOVELIS INC.

CONSOLIDATING BALANCE SHEET
(In millions)

	As of March 31, 2009 — *Successor*				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
ASSETS					
Current assets					
Cash and cash equivalents	$ 3	$ 175	$ 70	$ —	$ 248
Accounts receivable, net of allowances					
— third parties	21	761	267	—	1,049
— related parties	411	183	32	(601)	25
Inventories	31	523	239	—	793
Prepaid expenses and other current assets	4	31	16	—	51
Fair value of derivative instruments	—	145	7	(33)	119
Deferred income tax assets	—	192	24	—	216
Total current assets	470	2,010	655	(634)	2,501
Property, plant and equipment, net	162	2,146	491	—	2,799
Goodwill	—	570	12	—	582
Intangible assets, net	—	787	—	—	787
Investments in and advances to non-consolidated affiliates	1,647	719	—	(1,647)	719
Fair value of derivative instruments, net of current portion	—	46	28	(2)	72
Deferred income tax assets	1	3	—	—	4
Other long-term assets	1,028	207	96	(1,228)	103
Total assets	$ 3,308	$ 6,488	$ 1,282	$ (3,511)	$ 7,567
LIABILITIES AND SHAREHOLDER'S EQUITY					
Current liabilities					
Current portion of long-term debt	$ 3	$ 4	$ 44	$ —	$ 51
Short-term borrowings					
— third parties	—	231	33	—	264
— related parties	7	330	22	(359)	—
Accounts payable					
— third parties	33	458	234	—	725
— related parties	41	157	90	(240)	48
Fair value of derivative instruments	7	540	126	(33)	640
Accrued expenses and other current liabilities	34	395	90	(3)	516
Deferred income tax liabilities	—	—	—	—	—
Total current liabilities	125	2,115	639	(635)	2,244
Long-term debt, net of current portion					
— third parties	1,464	852	101	—	2,417
— related parties	223	976	120	(1,228)	91
Deferred income tax liabilities	—	459	10	—	469
Accrued postretirement benefits	27	346	122	—	495
Other long-term liabilities	50	288	5	(1)	342
	1,889	5,036	997	(1,864)	6,058
Commitments and contingencies					
Shareholder's equity					
Common stock	—	—	—	—	—
Additional paid-in capital	3,497	—	—	—	3,497
Retained earnings (accumulated deficit)	(1,930)	1,533	325	(1,858)	(1,930)
Accumulated other comprehensive income (loss)	(148)	(81)	(130)	211	(148)
Total equity of our common shareholder	1,419	1,452	195	(1,647)	1,419
Noncontrolling interests	—	—	90	—	90
Total equity	1,419	1,452	285	(1,647)	1,509
Total liabilities and equity	$ 3,308	$ 6,488	$ 1,282	$ (3,511)	$ 7,567

NOVELIS INC.

CONSOLIDATING BALANCE SHEET
(In millions)

	As of March 31, 2008 — *Successor*				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
ASSETS					
Current assets					
Cash and cash equivalents	$ 12	$ 177	$ 137	$ —	$ 326
Accounts receivable, net of allowances					
— third parties	38	819	391	—	1,248
— related parties	519	288	34	(810)	31
Inventories	58	992	405	—	1,455
Prepaid expenses and other current assets	4	34	20	—	58
Fair value of derivative instruments	—	187	29	(13)	203
Deferred income tax assets	—	121	4	—	125
Total current assets	631	2,618	1,020	(823)	3,446
Property, plant and equipment, net	178	2,455	724	—	3,357
Goodwill	—	1,741	189	—	1,930
Intangible assets, net	—	888	—	—	888
Investments in and advances to non-consolidated affiliates	3,629	945	1	(3,629)	946
Fair value of derivative instruments, net of current portion	—	18	3	—	21
Deferred income tax assets	4	—	2	—	6
Other long-term assets	1,329	159	135	(1,480)	143
Total assets	$ 5,771	$ 8,824	$ 2,074	$ (5,932)	$ 10,737
LIABILITIES AND SHAREHOLDER'S EQUITY					
Current liabilities					
Current portion of long-term debt	$ 3	$ 11	$ 1	$ —	$ 15
Short-term borrowings					
— third parties	—	70	45	—	115
— related parties	5	370	25	(400)	—
Accounts payable					
— third parties	84	925	573	—	1,582
— related parties	109	234	88	(376)	55
Fair value of derivative instruments	—	146	15	(13)	148
Accrued expenses and other current liabilities	40	555	113	(4)	704
Deferred income tax liabilities	—	39	—	—	39
Total current liabilities	241	2,350	860	(793)	2,658
Long-term debt, net of current portion					
— third parties	1,761	698	101	—	2,560
— related parties	—	1,206	304	(1,510)	—
Deferred income tax liabilities	1	733	20	—	754
Accrued postretirement benefits	23	297	101	—	421
Other long-term liabilities	222	431	19	—	672
	2,248	5,715	1,405	(2,303)	7,065
Commitments and contingencies					
Shareholder's equity					
Common stock	—	—	—	—	—
Additional paid-in capital	3,497	—	—	—	3,497
Retained earnings (accumulated deficit)	(20)	3,075	564	(3,639)	(20)
Accumulated other comprehensive income (loss)	46	34	(44)	10	46
Total equity of our common shareholder	3,523	3,109	520	(3,629)	3,523
Noncontrolling interests	—	—	149	—	149
Total equity	3,523	3,109	669	(3,629)	3,672
Total liabilities and equity	$ 5,771	$ 8,824	$ 2,074	$ (5,932)	$ 10,737

NOVELIS INC.

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
(In millions)

	Year Ended March 31, 2009 — *Successor*				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
OPERATING ACTIVITIES					
Net cash provided by (used in) operating activities	$ 87	$ (139)	$ 39	$ (223)	$ (236)
INVESTING ACTIVITIES					
Capital expenditures	(8)	(100)	(37)	—	(145)
Proceeds from sales of assets	2	2	1	—	5
Changes to investment in and advances to non-consolidated affiliates	—	20	—	—	20
Proceeds from loans receivable, net — related parties	—	17	—	—	17
Net proceeds from settlement of derivative instruments	2	(77)	67	—	(8)
Net cash provided by (used in) investing activities	(4)	(138)	31	—	(111)
FINANCING ACTIVITIES					
Proceeds from issuance of debt					
— third parties	—	220	43	—	263
— related parties	91	—	—	—	91
Principal repayments					
— third parties	(223)	(11)	(1)	—	(235)
— related parties	41	(89)	(152)	200	—
Short-term borrowings, net					
— third parties	—	185	(9)	—	176
— related parties	2	(25)	—	23	—
Dividends					
— noncontrolling interests	—	—	(6)	—	(6)
Debt issuance costs	(3)	—	—	—	(3)
Net cash provided by (used in) financing activities	(92)	280	(125)	223	286
Net increase in cash and cash equivalents	(9)	3	(55)	—	(61)
Effect of exchange rate changes on cash balances held in foreign currencies	—	(5)	(12)	—	(17)
Cash and cash equivalents — beginning of period	12	177	137	—	326
Cash and cash equivalents — end of period	$ 3	$ 175	$ 70	$ —	$ 248

NOVELIS INC.

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
(In millions)

	May 16, 2007 Through March 31, 2008 — *Successor*				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
OPERATING ACTIVITIES					
Net cash provided by (used in) operating activities	$ 88	$ 363	$ 144	$ (190)	$ 405
INVESTING ACTIVITIES					
Capital expenditures	(11)	(143)	(31)	—	(185)
Proceeds from sales of assets	5	2	1	—	8
Changes to investment in and advances to non-consolidated affiliates	(40)	25	(1)	40	24
Proceeds from loans receivable, net — related parties	—	18	—	—	18
Net proceeds from settlement of derivative instruments	12	32	(7)	—	37
Net cash provided by (used in) investing activities	(34)	(66)	(38)	40	(98)
FINANCING ACTIVITIES					
Proceeds from issuance of common stock	92	40	—	(40)	92
Proceeds from issuance of debt	300	659	141	—	1,100
Principal repayments					
— third parties	(261)	(608)	(140)	—	(1,009)
— related parties	—	(189)	31	158	—
Short-term borrowings, net					
— third parties	(45)	(188)	(8)	—	(241)
— related parties	(99)	81	(14)	32	—
Dividends					
— noncontrolling interests	—	—	(1)	—	(1)
Debt issuance costs	(37)	—	—	—	(37)
Net cash provided by (used in) financing activities	(50)	(205)	9	150	(96)
Net increase in cash and cash equivalents	4	92	115	—	211
Effect of exchange rate changes on cash balances held in foreign currencies	—	11	2	—	13
Cash and cash equivalents — beginning of period	8	74	20	—	102
Cash and cash equivalents — end of period	$ 12	$ 177	$ 137	$ —	$ 326

NOVELIS INC.

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
(In millions)

	April 1, 2007 Through May 15, 2007 — *Predecessor*				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
OPERATING ACTIVITIES					
Net cash used in operating activities	$ (21)	$ (181)	$ (28)	$ —	$ (230)
INVESTING ACTIVITIES					
Capital expenditures	(1)	(10)	(6)	—	(17)
Changes to investment in and advances to non-consolidated affiliates	—	1	—	—	1
Net proceeds from settlement of derivative instruments	(5)	23	—	—	18
Net cash provided by (used in) investing activities	(6)	14	(6)	—	2
FINANCING ACTIVITIES					
Proceeds from issuance of debt	—	150	—	—	150
Principal repayments	—	(1)	—	—	(1)
Short-term borrowings, net					
— third parties	45	9	6	—	60
— related parties	(15)	11	4	—	—
Dividends					
— noncontrolling interests	—	—	(7)	—	(7)
Debt issuance costs	(2)	—	—	—	(2)
Proceeds from the exercise of stock options	1	—	—	—	1
Net cash provided by financing activities	29	169	3	—	201
Net increase (decrease) in cash and cash equivalents	2	2	(31)	—	(27)
Effect of exchange rate changes on cash balances held in foreign currencies	—	1	—	—	1
Cash and cash equivalents — beginning of period	6	71	51	—	128
Cash and cash equivalents — end of period	$ 8	$ 74	$ 20	$ —	$ 102

NOVELIS INC.

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
(In millions)

	Three Months Ended March 31, 2007 — *Predecessor*				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
OPERATING ACTIVITIES					
Net cash provided by (used in) operating activities	$ (30)	$ (55)	$ 50	$ (52)	$ (87)
INVESTING ACTIVITIES					
Capital expenditures	(2)	(16)	(6)	—	(24)
Changes to investment in and advances to non-consolidated affiliates	—	1	—	—	1
Proceeds from loans receivable, net — related parties	—	1	—	—	1
Net proceeds from settlement of derivative instruments	—	24	—	—	24
Net cash provided by (used in) investing activities	(2)	10	(6)	—	2
FINANCING ACTIVITIES					
Principal repayments	—	(1)	—	—	(1)
Short-term borrowings, net					
— third parties	—	113	—	—	113
— related parties	7	5	(12)	—	—
Dividends					
— common shareholders	—	(38)	(14)	52	—
Proceeds from the exercise of employee stock options	27	—	—	—	27
Windfall tax benefit on share-based compensation	1	—	—	—	1
Net cash provided by (used in) financing activities	35	79	(26)	52	140
Net increase in cash and cash equivalents	3	34	18	—	55
Cash and cash equivalents — beginning of period	3	37	33	—	73
Cash and cash equivalents — end of period	$ 6	$ 71	$ 51	$ —	$ 128

NOVELIS INC.

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
(In millions)

	Year Ended December 31, 2006 — *Predecessor*				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
OPERATING ACTIVITIES					
Net cash provided by (used in) operating activities	$ 104	$ (9)	$ 87	$ (166)	$ 16
INVESTING ACTIVITIES					
Capital expenditures	(8)	(72)	(36)	—	(116)
Disposal of business, net	(7)	—	—	—	(7)
Proceeds from sales of assets	—	38	—	—	38
Changes to investment in and advances to non-consolidated affiliates	—	3	—	—	3
Proceeds from (advances on) loans receivable, net — related parties	48	(60)	(28)	77	37
Premiums paid to purchase derivative instruments	—	(4)	—	—	(4)
Net proceeds from settlement of derivative instruments	(34)	283	(7)	—	242
Net cash provided by (used in) investing activities	(1)	188	(71)	77	193
FINANCING ACTIVITIES					
Proceeds from issuance of debt					
— third parties	—	—	41	—	41
— related parties	—	1,300	460	(1,760)	—
Principal repayments					
— third parties	(83)	(147)	(123)	—	(353)
— related parties	—	(1,247)	(397)	1,644	—
Short-term borrowings, net					
— third parties	—	103	—	—	103
Dividends					
— preference shares	—	(12)	—	12	—
— common shareholders	(15)	(175)	(18)	193	(15)
— noncontrolling interests	—	—	(15)	—	(15)
Net receipts from Alcan	5	—	—	—	5
Debt issuance costs	(11)	—	—	—	(11)
Proceeds from the exercise of stock options	2	—	—	—	2
Net cash used in financing activities	(102)	(178)	(52)	89	(243)
Net increase (decrease) in cash and cash equivalents	1	1	(36)	—	(34)
Effect of exchange rate changes on cash balances held in foreign currencies	—	2	5	—	7
Cash and cash equivalents — beginning of period	2	34	64	—	100
Cash and cash equivalents — end of period	$ 3	$ 37	$ 33	$ —	$ 73

Novelis Inc.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)
(In millions)

	Three Months Ended June 30,	
	2009	2008
Net sales	$ 1,960	$ 3,103
Cost of goods sold (exclusive of depreciation and amortization shown below)	1,533	2,831
Selling, general and administrative expenses	78	84
Depreciation and amortization	100	116
Research and development expenses	8	12
Interest expense and amortization of debt issuance costs	43	45
Interest income	(3)	(5)
Gain on change in fair value of derivative instruments, net	(72)	(65)
Restructuring charges, net	3	(1)
Equity in net loss of non-consolidated affiliates	10	2
Other (income) expenses, net	(13)	23
	1,687	3,042
Income before income taxes	273	61
Income tax provision	112	35
Net income	161	26
Net income attributable to noncontrolling interests	18	2
Net income attributable to our common shareholder	$ 143	$ 24

See accompanying notes to the condensed consolidated financial statements.

Novelis Inc.

CONDENSED CONSOLIDATED BALANCE SHEETS (unaudited)
(In millions, except number of shares)

	June 30, 2009	March 31, 2009
ASSETS		
Current assets		
Cash and cash equivalents	$ 237	$ 248
Accounts receivable (net of allowances of $3 and $2 as of June 30, 2009 and March 31, 2009)		
— third parties	1,154	1,049
— related parties	19	25
Inventories	813	793
Prepaid expenses and other current assets	50	51
Fair value of derivative instruments	111	119
Deferred income tax assets	125	216
Total current assets	2,509	2,501
Property, plant and equipment, net	2,795	2,799
Goodwill	582	582
Intangible assets, net	781	787
Investment in and advances to non-consolidated affiliates	740	719
Fair value of derivative instruments, net of current portion	58	72
Deferred income tax assets	5	4
Other long-term assets		
— third parties	87	80
— related parties	23	23
Total assets	$ 7,580	$ 7,567
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Current portion of long-term debt	$ 45	$ 51
Short-term borrowings	237	264
Accounts payable		
— third parties	785	725
— related parties	52	48
Fair value of derivative instruments	338	640
Accrued expenses and other current liabilities	507	516
Deferred income tax liabilities	—	—
Total current liabilities	1,964	2,244
Long-term debt, net of current portion		
— third parties	2,416	2,417
— related parties	94	91
Deferred income tax liabilities	495	469
Accrued postretirement benefits	517	495
Other long-term liabilities	356	342
Total liabilities	5,842	6,058
Commitments and contingencies		
Shareholder's equity		
Common stock, no par value; unlimited number of shares authorized; 77,459,658 shares issued and outstanding as of June 30, 2009 and March 31, 2009	—	—
Additional paid-in capital	3,497	3,497
Accumulated deficit	(1,787)	(1,930)
Accumulated other comprehensive loss	(86)	(148)
Total equity of our common shareholder	1,624	1,419
Noncontrolling interests	114	90
Total equity	1,738	1,509
Total liabilities and equity	$ 7,580	$ 7,567

See accompanying notes to the condensed consolidated financial statements.

Novelis Inc.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)
(In millions)

	Three Months Ended June 30,	
	2009	2008
OPERATING ACTIVITIES		
Net income	$ 161	$ 26
Adjustments to determine net cash provided by (used in) operating activities:		
Depreciation and amortization	100	116
Gain on change in fair value of derivative instruments, net	(72)	(65)
Deferred income taxes	98	10
Write-off and amortization of fair value adjustments, net	(51)	(64)
Equity in net loss of non-consolidated affiliates	10	2
Foreign exchange remeasurement of debt	(7)	—
Other, net	2	1
Changes in assets and liabilities:		
Accounts receivable	(80)	(339)
Inventories	11	(129)
Accounts payable	31	74
Other current assets	3	(29)
Other current liabilities	29	(5)
Other noncurrent assets	(9)	8
Other noncurrent liabilities	32	43
Net cash provided by (used in) operating activities	258	(351)
INVESTING ACTIVITIES		
Capital expenditures	(24)	(33)
Proceeds from sales of assets	3	1
Changes to investment in and advances to non-consolidated affiliates	3	6
Proceeds from related party loans receivable, net	6	8
Net proceeds (outflows) from settlement of derivative instruments	(223)	34
Net cash provided by (used in) investing activities	(235)	16
FINANCING ACTIVITIES		
Proceeds from issuance of debt, related parties	3	—
Principal payments	(12)	(4)
Short-term borrowings, net	(33)	313
Dividends, noncontrolling interest	(1)	—
Net cash provided by (used in) financing activities	(43)	309
Net decrease in cash and cash equivalents	(20)	(26)
Effect of exchange rate changes on cash balances held in foreign currencies	9	(4)
Cash and cash equivalents — beginning of period	248	326
Cash and cash equivalents — end of period	$ 237	$ 296
Supplemental disclosures of cash flow information:		
Interest paid	$ 18	$ 17
Income taxes paid (refunded)	$ (7)	$ 55

See accompanying notes to the condensed consolidated financial statements.

Novelis Inc.

CONDENSED CONSOLIDATED STATEMENT OF SHAREHOLDER'S EQUITY (unaudited)
(In millions, except number of shares)

	Equity of our common shareholder						
	Common Stock		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interests	Total Equity
	Shares	Amount					
Balance as of March 31, 2009	77,459,658	$ —	$ 3,497	$ (1,930)	$ (148)	$ 90	$ 1,509
Net income attributable to our common shareholder	—	—	—	143	—	—	143
Net income attributable to noncontrolling interests	—	—	—	—	—	18	18
Currency translation adjustment, net of tax	—	—	—	—	53	7	60
Change in fair value of effective portion of hedges, net of tax	—	—	—	—	7	—	7
Postretirement benefit plans:							
Change in pension and other benefits, net of tax	—	—	—	—	2	—	2
Noncontrolling interests cash dividends	—	—	—	—	—	(1)	(1)
Balance as of June 30, 2009	77,459,658	$ —	$ 3,497	$ (1,787)	$ (86)	$ 114	$ 1,738

See accompanying notes to the condensed consolidated financial statements.

Novelis Inc.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (unaudited)
(In millions)

	Three Months Ended June 30, 2009			Three Months Ended June 30, 2008		
	Attributable to Our Common Shareholder	Attributable to Noncontrolling Interests	Total	Attributable to Our Common Shareholder	Attributable to Noncontrolling Interests	Total
Net income	$ 143	$ 18	$ 161	$ 24	$ 2	$ 26
Other comprehensive income (loss):						
Currency translation adjustment	50	7	57	10	(2)	8
Change in fair value of effective portion of hedges, net	11	—	11	19	—	19
Postretirement benefit plans:						
Change in pension and other benefits	3	—	3	—	—	—
Other comprehensive income (loss) before income tax effect	64	7	71	29	(2)	27
Income tax provision related to items of other comprehensive income (loss)	2	—	2	8	—	8
Other comprehensive income (loss), net of tax	62	7	69	21	(2)	19
Comprehensive income	$ 205	$ 25	$ 230	$ 45	$ —	$ 45

See accompanying notes to the condensed consolidated financial statements.

Novelis Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

1. BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

References herein to "Novelis," the "Company," "we," "our," or "us" refer to Novelis Inc. and its subsidiaries unless the context specifically indicates otherwise. References herein to "Hindalco" refer to Hindalco Industries Limited. In October 2007, the Rio Tinto Group purchased all the outstanding shares of Alcan, Inc. References herein to "Rio Tinto Alcan" refer to Rio Tinto Alcan Inc.

Description of Business and Basis of Presentation

Novelis Inc., formed in Canada on September 21, 2004, and its subsidiaries, is the world's leading aluminum rolled products producer based on shipment volume. We produce aluminum sheet and light gauge products where the end-use destination of the products includes the beverage and food can, transportation, construction and industrial, and foil products markets. As of June 30, 2009, we had operations on four continents: North America; Europe; Asia and South America, through 31 operating plants, one research facility and several market-focused innovation centers in 11 countries. In addition to aluminum rolled products plants, our South American businesses include bauxite mining, primary aluminum smelting and power generation facilities that supply our rolling plants in Brazil.

The accompanying unaudited condensed consolidated financial statements should be read in conjunction with our audited consolidated financial statements and accompanying notes in our Annual Report on Form 10-K for the year ended March 31, 2009 filed with the United States Securities and Exchange Commission (SEC) on June 29, 2009. Management believes that all adjustments necessary for the fair presentation of results, consisting of normally recurring items, have been included in the unaudited condensed consolidated financial statements for the interim periods presented. Further, in connection with the preparation of the condensed consolidated financial statements and in accordance with the recently issued FASB Statement No. 165 "Subsequent Events" (FASB 165), the Company evaluated subsequent events after the balance sheet date of June 30, 2009 through August 3, 2009, the date these financial statements were issued.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The principal areas of judgment relate to (1) the fair value of derivative financial instruments; (2) impairment of goodwill; (3) impairments of long lived assets, intangible assets and equity investments; (4) actuarial assumptions related to pension and other postretirement benefit plans; (5) income tax reserves and valuation allowances and (6) assessment of loss contingencies, including environmental and litigation reserves.

Acquisition of Novelis Common Stock

On May 15, 2007, the Company was acquired by Hindalco through its indirect wholly-owned subsidiary pursuant to a plan of arrangement (the Arrangement) at a price of $44.93 per share. The aggregate purchase price for all of the Company's common shares was $3.4 billion and Hindalco also assumed $2.8 billion of Novelis' debt for a total transaction value of $6.2 billion. Subsequent to completion of the Arrangement on May 15, 2007, all of our common shares were indirectly held by Hindalco.

Recently Adopted Accounting Standards

The following accounting standards have been adopted by us during the three months ended June 30, 2009.

We adopted FASB Statement No. 160, *Noncontrolling Interests in Consolidated Financial Statements* (FASB 160). FASB 160 establishes accounting and reporting standards that require: (i) the ownership interest

in subsidiaries held by parties other than the parent to be clearly identified and presented in the condensed consolidated balance sheet within shareholder's equity, but separate from the parent's equity; (ii) the amount of condensed consolidated net income attributable to the parent and the noncontrolling interest to be clearly identified and presented on the face of the condensed consolidated statement of operations and (iii) changes in a parent's ownership interest while the parent retains its controlling financial interest in its subsidiary to be accounted for consistently. We adopted FASB 160 effective April 1, 2009, and applied this standard prospectively, except for the presentation and disclosure requirements, which have been applied retrospectively. The adoption of FASB 160 did not have a significant impact on our condensed consolidated financial statements.

We adopted FASB Staff Position No. FAS 142-3, *Determination of Useful Life of Intangible Assets* (FSP FAS 142-3). FSP FAS 142-3 amends the factors that should be considered in developing the renewal or extension assumptions used to determine the useful life of a recognized intangible asset under FASB 142. FSP FAS 142-3 also requires expanded disclosure related to the determination of intangible asset useful lives. This standard will have no impact on our consolidated financial position, results of operations and cash flows.

We adopted FASB Staff Position No. 107-1 (FSP FAS 107-1) and APB Opinion 28-1 (APB 28-1), *Interim Disclosures about Fair Value of Financial Instruments*. FSP FAS 107-1 and APB 28-1 amends FASB 107 and APB Opinion No. 28, *Interim Financial Reporting*, to require disclosures about the fair value of financial instruments for interim reporting periods. This standard had no impact on our consolidated financial position, results of operations and cash flows.

We adopted FASB Staff Position No. 157-4, *Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly* (FSP FAS 157-4). FSP FAS 157-4 provides additional guidance in accordance with FASB No. 157, *Fair Value Measurements*, when the volume and level of activity for the asset or liability has significantly decreased. This standard had no impact on our consolidated financial position, results of operations and cash flows.

We adopted FASB Staff Position No. 115-2 (FSP FAS 115-2) and FASB Staff Position No. 124-2 (FSP FAS 124-2), *Recognition of Other-than-Temporary-Impairments.* FSP FAS No. 115-2 and FSP FAS No. 124-2 amends the other-than-temporary impairment guidance in GAAP for debt and equity securities. This standard had no impact on our consolidated financial position, results of operations and cash flows.

We adopted FASB Statement No. 141 (Revised), *Business Combinations* (FASB 141(R)) which establishes principles and requirements for how the acquirer in a business combination (i) recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree, (ii) recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase, and (iii) determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. FASB 141(R) also requires acquirers to estimate the acquisition-date fair value of any contingent consideration and to recognize any subsequent changes in the fair value of contingent consideration in earnings. We will apply this new standard prospectively to business combinations occurring after March 31, 2009, with the exception of the accounting for valuation allowances on deferred taxes and acquired tax contingencies. FASB 141(R) amends certain provisions of FASB 109 such that adjustments made to valuation allowances on deferred taxes and acquired tax contingencies associated with acquisitions that closed prior to the effective date of FASB 141(R) would also apply the provisions of FASB 141(R). This standard had no impact on our consolidated financial position, results of operations and cash flows.

We adopted FASB Staff Position No. 141(R)-1, *Accounting for Assets Acquired and Liabilities Assumed in a Business Combination That Arise from Contingencies* (FSP FAS No. 141(R)-1). This pronouncement amends FASB 141(R) to clarify the initial and subsequent recognition, subsequent accounting, and disclosure

of assets and liabilities arising from contingencies in a business combination. FSP SFAS No. 141(R)-1 requires that assets acquired and liabilities assumed in a business combination that arise from contingencies be recognized at fair value, as determined in accordance with FASB 157, if the acquisition-date fair value can be reasonably estimated. If the acquisition-date fair value of an asset or liability cannot be reasonably estimated, the asset or liability would be measured at the amount that would be recognized in accordance with FASB Statement No. 5, *Accounting for Contingencies,* and FASB Interpretation No. 14, *Reasonable Estimation of the Amount of a Loss*. As the provisions of FSP FAS No. 141(R)-1 are applied prospectively to business combinations with an acquisition date on or after the guidance became effective, the impact on condensed consolidated financial position, results of operations and cash flows cannot be determined until the transactions occur.

We adopted the Emerging Issues Task Force (EITF) Issue No. 08-06, *Equity Method Investment Accounting Considerations* (EITF 08-06). EITF 08-6 address questions that have arisen about the application of the equity method of accounting for investments acquired after the effective date of both FASB 141(R) and FASB Statement No. 160, *Non-controlling Interests in Consolidated Financial Statements.* EITF 08-06 clarifies how to account for certain transactions involving equity method investments. EITF 08-6 is effective on a prospective basis. This standard had no impact on our consolidated financial position, results of operations and cash flows.

Recently Issued Accounting Standards

The following new accounting standards have been issued, but have not yet been adopted by us as of June 30, 2009, as adoption is not required until future reporting periods.

In June 2009, the FASB issued statement No. 167, *Amendments to FASB Interpretation No. 46(R)* (FASB 167). FASB 167 is intended to (1) address the effects on certain provisions of FASB Interpretation No. 46 (revised December 2003), *Consolidation of Variable Interest Entities* (FIN 46(R)), as a result of the elimination of the qualifying special-purpose entity concept in FASB Statement No. 166, *Accounting for Transfers of Financial Assets*, and (2) clarify questions about the application of certain key provisions of FIN 46(R), including those in which the accounting and disclosures under FIN 46(R) do not always provided timely and useful information about an enterprise's involvement in a variable interest entity. FASB 167 will be effective for fiscal years ending after November 15, 2009. We do not anticipate this standard will have any impact on our consolidated financial position, results of operations and cash flows.

In December 2008, the FASB issued FSP No. 132(R)-1, *Employers' Disclosures about Pensions and Other Postretirement Benefits* (FSP No. 132(R)-1). FSP No. 132(R)-1 requires that an employer disclose the following information about the fair value of plan assets: (1) how investment allocation decisions are made, including the factors that are pertinent to understanding of investment policies and strategies; (2) the major categories of plan assets; (3) the inputs and valuation techniques used to measure the fair value of plan assets; (4) the effect of fair value measurements using significant unobservable inputs on changes in plan assets for the period; and (5) significant concentrations of risk within plan assets. FSP No. 132(R)-1 will be effective for fiscal years ending after December 15, 2009, with early application permitted. At initial adoption, application of FSP No. 132(R)-1 would not be required for earlier periods that are presented for comparative purposes. This standard will have no impact on our consolidated financial position, results of operations and cash flows.

We have determined that all other recently issued accounting standards will not have a material impact on our consolidated financial position, results of operations or cash flows, or do not apply to our operations.

2. RESTRUCTURING PROGRAMS

There were no new restructuring actions initiated during the three months ended June 30, 2009. Restructuring charges, net of $3 million on the condensed consolidated statement of operations for the three months ended June 30, 2009 consisted of the following (1) $2 million write down of parts and supplies related to our Rogerstone facility and (2) approximately $1 million in other items at other European facilities. The $2 million write down is not included in the table below as it was reflected as a reduction to the appropriate balance sheet accounts. The following table summarizes our restructuring accrual activity by region (in millions).

	Europe	North America	Asia	South America	Corporate	Restructuring Reserves
Balance as of March 31, 2009	$ 61	$ 16	$ —	$ 2	$ 1	$ 80
Three Months Ended June 30, 2009 Activity:						
Provisions (recoveries), net	1	—	—	—	—	1
Cash payments	(13)	(3)	—	(1)	—	(17)
Adjustments — other(A)	7	—	—	—	—	7
Balance as of June 30, 2009	$ 56	$ 13	$ —	$ 1	$ 1	$ 71

(A) Consists of the impact of exchange rates on restructuring balances.

Europe

Restructuring charges for the three months ended June 30, 2009 consist of approximately $1 million in additional severance and other exit costs for our plants in Rogerstone, Rugles and Ohle plants. For the quarter ended June 30, 2009, we made $8 million in severance payments, $4 million in payments for environmental remediation and approximately $1 million of other payments related primarily to contract terminations.

North America

For the quarter ended June 30, 2009, we made $3 million in severance payments related to the voluntary and involuntary separation programs initiated in the third quarter of fiscal 2009.

South America

For the quarter ended June 30, 2009, we made $1 million in severance payments.

3. INVENTORIES

Inventories consist of the following (in millions).

	June 30, 2009	March 31, 2009
Finished goods	$ 203	$ 215
Work in process	326	296
Raw materials	199	207
Supplies	88	79
	816	797
Allowances	(3)	(4)
Inventories	$ 813	$ 793

4. CONSOLIDATION OF VARIABLE INTEREST ENTITIES

We have a variable interest in the Logan Aluminum, Inc. (Logan). Based upon a previous restructuring program, Novelis acquired the right to use the excess capacity at Logan. To utilize this capacity, we installed and have sole ownership of a cold mill at the Logan facility which enabled us to have the ability to take the majority share of production and costs. These facts qualify Novelis as Logan's primary beneficiary. As a result, this entity is consolidated pursuant to FASB Interpretation No. 46 (Revised), *Consolidation of Variable Interest Entities* (FIN 46(R)) in all periods presented. All significant intercompany transactions and balances have been eliminated.

The following table summarizes the carrying value and classification on our condensed consolidated balance sheets of assets and liabilities owned by the Logan joint venture and consolidated under FIN 46(R) (in millions). There are significant other assets used in the operations of Logan that are not part of the joint venture.

	June 30, 2009	March 31, 2009
Current assets	$ 66	$ 64
Total assets	$ 126	$ 124
Current liabilities	$ (34)	$ (35)
Total liabilities	$ (137)	$ (135)
Net carrying value	$ (11)	$ (11)

5. INVESTMENT IN AND ADVANCES TO NON-CONSOLIDATED AFFILIATES AND RELATED PARTY TRANSACTIONS

The following table summarizes the condensed results of operations of our equity method affiliates (on a 100% basis, in millions) on a historical basis of accounting. These results do not include the incremental depreciation and amortization expense that we record in our equity method accounting, which arises as a result of the amortization of fair value adjustments we made to our investments in non-consolidated affiliates due to the Arrangement.

	Three Months Ended June 30,	
	2009	2008
Net sales	$ 113	$ 157
Costs, expenses and provisions for taxes on income	116	142
Net income (loss)	$ (3)	$ 15

We recognized $8 million and $9 million of incremental depreciation and amortization expense, net of tax on our equity method investments due to the Arrangement for the three months ended June 30, 2009 and 2008, respectively. We recorded a tax benefit of $4 million and $5 million associated with the incremental depreciation and amortization for the three months ended June 30, 2009 and 2008, respectively.

Included in the accompanying condensed consolidated financial statements are transactions and balances arising from business we conduct with these non-consolidated affiliates, which we classify as related party transactions and balances. We earned less than $1 million of interest income on a loan due from Aluminium

Norf GmbH during each of the periods presented in the table below. The following table describes the nature and amounts of significant transactions that we had with these non-consolidated affiliates (in millions).

	Three Months Ended June 30,	
	2009	2008
Purchases of tolling services and electricity		
Aluminium Norf GmbH(A)	$ 56	$ 74
Consorcio Candonga(B)	1	3
Total purchases from related parties	$ 57	$ 77

(A) We purchase tolling services from Aluminium Norf GmbH.

(B) We obtain electricity from Consorcio Candonga for our operations in South America.

The following table describes the period-end account balances that we have with these non-consolidated affiliates, shown as related party balances in the accompanying condensed consolidated balance sheets (in millions). We have no other material related party balances with these non-consolidated affiliates.

	June 30, 2009	March 31, 2009
Accounts receivable(A)	$ 19	$ 25
Other long-term receivables(A)	$ 23	$ 23
Accounts payable(B)	$ 52	$ 48

(A) The balances represent current and non-current portions of a loan due from Aluminium Norf GmbH.

(B) We purchase tolling services from Aluminium Norf GmbH and electricity from Consorcio Candonga.

6. DEBT

Debt consists of the following (in millions).

		June 30, 2009			March 31, 2009		
	Interest Rates(A)	Principal	Unamortized Fair Value Adjustments(B)	Carrying Value	Principal	Unamortized Fair Value Adjustments(B)	Carrying Value
Third party debt:							
Short term borrowings	2.81%	$ 237	$ —	$ 237	$ 264	$ —	$ 264
Novelis Inc.							
7.25% Senior Notes, due February 2015	7.25%	1,124	45	1,169	1,124	47	1,171
Floating rate Term Loan Facility, due July 2014	2.60%(C)	294	—	294	295	—	295
Novelis Corporation							
Floating rate Term Loan Facility, due July 2014	2.60%(C)	865	(52)	813	867	(54)	813
Novelis Switzerland S.A.							
Capital lease obligation, due December 2019 (Swiss francs (CHF) 50 million)	7.50%	46	(3)	43	45	(3)	42
Capital lease obligation, due August 2011 (CHF 2 million)	2.49%	2	—	2	2	—	2
Novelis Korea Limited							
Bank loan, due October 2010	4.09%	100	—	100	100	—	100
Bank loan, due February 2010 (Korean won (KRW) 50 billion)	3.76%	39	—	39	37	—	37
Bank loan, due May 2009 (KRW 10 billion)	7.47%	—	—	—	7	—	7
Other							
Other debt, due December 2011 through December 2012	1.00%	1	—	1	1	—	1
Total debt — third parties		2,708	(10)	2,698	2,742	(10)	2,732
Less: Short term borrowings		(237)	—	(237)	(264)	—	(264)
Current portion of long tern debt		(54)	9	(45)	(59)	8	(51)
Long-term debt, net of current portion — third parties:		$ 2,417	$ (1)	$ 2,416	$ 2,419	$ (2)	$ 2,417
Related party debt							
Novelis Inc.							
Unsecured credit facility — related party, due January 2015	13.00%	$ 94	$ —	$ 94	$ 91	$ —	$ 91

(A) Interest rates are as of June 30, 2009 and exclude the effects of accretion/amortization of fair value adjustments as a result of the Arrangement and the debt exchange completed in the fourth quarter of fiscal 2009.

(B) Debt existing at the time of the Arrangement was recorded at fair value. Additional floating rate Term Loan with a face value of $220 million issued in March 2009 was recorded at a fair value of $165 million.

(C) Excludes the effect of related interest rate swaps and the effect of accretion of fair value.

Senior Secured Credit Facilities

Our senior secured credit facilities consist of (1) a $1.16 billion seven year term loan facility maturing July 2014 (Term Loan facility) and (2) a $800 million five-year multi-currency asset-backed revolving credit line and letter of credit facility (ABL Facility). The senior secured credit facilities include customary affirmative and negative covenants. Under the ABL Facility, if our excess availability, as defined under the borrowing, is less than $80 million, we are required to maintain a minimum fixed charge coverage ratio of 1 to 1. As of June 30, 2009, our fixed charge coverage ratio is less than 1 to 1, resulting in a reduction of availability under the ABL Facility of $80 million. Substantially all of our assets are pledged as collateral under the senior secured credit facilities.

Short-Term Borrowings and Lines of Credit

As of June 30, 2009, our short-term borrowings were $237 million consisting of (1) $226 million of short-term loans under the ABL Facility, (2) a $7 million short-term loan in Italy and (3) $4 million in bank overdrafts. As of June 30, 2009, $31 million of the ABL Facility was utilized for letters of credit and we had $299 million in remaining availability under the ABL Facility before covenant related restrictions. The weighted average interest rate on our total short-term borrowings was 2.81% and 2.75% as of June 30, 2009 and March 31, 2009, respectively.

As of June 30, 2009, we had an additional $71 million outstanding under letters of credit in Korea not included in the ABL Facility.

Interest Rate Swaps

As of June 30, 2009, we have interest rate swaps to fix the variable LIBOR interest rate on $920 million of our floating rate Term Loan facility. We are still obligated to pay any applicable margin, as defined in our senior secured credit facilities. Interest rates swaps related to $400 million at an effective weighted average interest rate of 4.0% expire March 31, 2010. In January 2009, we entered into two interest rate swaps to fix the variable LIBOR interest rate on an additional $300 million of our floating Term Loan facility at a rate of 1.49%, plus any applicable margin. These interest rate swaps are effective from March 31, 2009 through March 31, 2011. In April 2009, we entered into an additional $220 million interest rate swap at a rate of 1.97%, which is effective through April 30, 2012.

As of June 30, 2009, we have an interest rate swap in Korea on our $100 million bank loan through a 5.44% fixed rate KRW 92 billion ($92 million) loan. The interest rate swap expires in October 2010.

As of June 30, 2009 approximately 79% of our debt was fixed rate and approximately 21% was variable rate.

7. SHARE-BASED COMPENSATION

Total compensation expense related to share-based awards was less than $1 million for both the three months ended June 30, 2009 and 2008.

Novelis Long-Term Incentive Plan

In June 2009, our board of directors authorized the Novelis Long-Term Incentive Plan FY 2010 — FY 2013 (2010 LTIP) covering the performance period from April 1, 2009 through March 31, 2013. The terms of the 2010 LTIP are the same as the Novelis Long-Term Incentive Plan FY 2009 — FY 2012 (2009 LTIP) approved in June 2008. Under the 2010 LTIP, phantom stock appreciation rights (SARs) are to be granted to certain of our executive officers and key employees. The SARs will vest at the rate of 25% per year, subject to performance criteria (see below) and expire seven years from their grant date. Each SAR is to be settled in

cash based on the difference between the market value of one Hindalco share on the date of grant compared to the date of exercise, converted from Indian rupees to U.S. dollars at the time of exercise. The amount of cash paid would be limited to (i) 2.5 times the target payout if exercised within one year of vesting or (ii) 3 times the target payout if exercised after one year of vesting. The SARs do not transfer any shareholder rights in Hindalco to a participant. As of June 30, 2009, no SARs have been awarded under the 2010 LTIP.

The performance criterion for vesting is based on the actual overall Novelis operating earnings before interest, taxes, depreciation and amortization, as adjusted (adjusted Operating EBITDA) compared to the target adjusted Operating EBITDA established and approved each fiscal year. The minimum threshold for vesting each year is 75% of each annual target adjusted Operating EBITDA, at which point 75% of the SARs for that period would vest, with an equal pro rata amount of SARs vesting through 100% achievement of the target.

8. POSTRETIREMENT BENEFIT PLANS

Our pension obligations relate to funded defined benefit pension plans in the U.S., Canada, Switzerland and the U.K., unfunded pension plans in Germany, and unfunded lump sum indemnities in France, South Korea, Malaysia and Italy. Our other postretirement obligations (Other Benefits, as shown in certain tables below) include unfunded healthcare and life insurance benefits provided to retired employees in Canada, the U.S. and Brazil.

Components of net periodic benefit cost for all of our significant postretirement benefit plans are shown in the tables below (in millions).

	Pension Benefit Plans		Other Benefits	
	Three Months Ended June 30,		Three Months Ended June 30,	
	2009	2008	2009	2008
Service cost	$ 8	$ 10	$ 2	$ 2
Interest cost	14	15	3	3
Expected return on assets	(10)	(13)	—	—
Amortization — (gains) losses	3	—	—	—
Curtailment/settlement losses	—	1	—	(2)
Net periodic benefit cost	$ 15	$ 13	$ 5	$ 3

The expected long-term rate of return on plan assets is 6.7% in fiscal 2010.

Employer Contributions to Plans

For pension plans, our policy is to fund an amount required to provide for contractual benefits attributed to service to date, and amortize unfunded actuarial liabilities typically over periods of 15 years or less. We also participate in savings plans in Canada and the U.S., as well as defined contribution pension plans in the U.S., U.K., Canada, Germany, Italy, Switzerland, Malaysia and Brazil. We contributed the following amounts to all plans, including the Rio Tinto Alcan plans that cover our employees (in millions).

	Three Months Ended June 30,	
	2009	2008
Funded pension plans	$ 3	$ 4
Unfunded pension plans	4	4
Savings and defined contribution pension plans	3	5
Total contributions	$ 10	$ 13

During the remainder of fiscal 2010, we expect to contribute an additional $42 million to our funded pension plans, $10 million to our unfunded pension plans and $12 million to our savings and defined contribution plans.

9. CURRENCY (GAINS) LOSSES

The following currency (gains) losses are included in the accompanying condensed consolidated statements of operations (in millions).

	Three Months Ended June 30,	
	2009	2008
Net gain on change in fair value of currency derivative instruments(A)	$ (22)	$ (32)
Net (gain) loss on remeasurement of monetary assets and liabilities(B)	(4)	20
	$ (26)	$ (12)

(A) Included in (Gain) loss on change in fair value of derivative instruments, net.

(B) Included in Other (income) expenses, net.

The following currency gains (losses) are included in Accumulated other comprehensive income (loss) (AOCI), net of tax. (in millions).

	Three Months Ended June 30, 2009	Year Ended March 31, 2009
Cumulative currency translation adjustment — beginning of period	$ (78)	$ 85
Effect of changes in exchange rates	60	(163)
Cumulative currency translation adjustment — end of period	$ (18)	$ (78)

10. FINANCIAL INSTRUMENTS AND COMMODITY CONTRACTS

The fair values of our financial instruments and commodity contracts as of June 30, 2009 and March 31, 2009 are as follows (in millions):

	June 30, 2009				
	Assets		Liabilities		Net Fair Value Assets/(Liabilities)
	Current	Noncurrent	Current	Noncurrent(A)	
Derivatives designated as hedging instruments:					
Currency exchange contracts	$ —	$ —	$ (1)	$ (23)	$ (24)
Interest rate swaps	—	3	(14)	—	(11)
Electricity swap	—	—	(4)	(2)	(6)
Total derivatives designated as hedging instruments	—	3	(19)	(25)	(41)
Derivatives not designated as hedging instruments:					
Aluminum forward contracts	86	27	(268)	(7)	(162)
Currency exchange contracts	25	28	(44)	(4)	5
Energy contracts	—	—	(7)	—	(7)
Total derivatives not designated as hedging instruments	111	55	(319)	(11)	(164)
Total derivative fair value	$ 111	$ 58	$ (338)	$ (36)	$ (205)

	March 31, 2009				
	Assets		Liabilities		Net Fair Value Assets/(Liabilities)
	Current	Noncurrent	Current	Noncurrent(A)	
Derivatives designated as hedging instruments:					
Currency exchange contracts	$ —	$ —	$ —	$ (11)	$ (11)
Interest rate swaps	—	—	(13)	—	(13)
Electricity swap	—	—	(6)	(12)	(18)
Total derivatives designated as hedging instruments	—	—	(19)	(23)	(42)
Derivatives not designated as hedging instruments:					
Aluminum contracts	99	41	(532)	(13)	(405)
Currency exchange contracts	20	31	(77)	(12)	(38)
Energy contracts	—	—	(12)	—	(12)
Total derivatives not designated as hedging instruments	119	72	(621)	(25)	(455)
Total derivative fair value	$ 119	$ 72	$ (640)	$ (48)	$ (497)

(A) The noncurrent portions of derivative liabilities are included in Other long-term liabilities in the accompanying condensed consolidated balance sheets.

Net Investment Hedges

We use cross-currency swaps to manage our exposure to fluctuating exchange rates arising from our loans to and investments in our European operations. The effective portion of gain or loss on the fair value of the derivative is included in Other comprehensive income (loss) (OCI). The effective portion of the derivatives is included in Currency translation adjustments. The ineffective portion of gain or loss on derivatives is included in (Gain) loss on change in fair value of derivative instruments, net. We had cross-currency swaps of Euro 135 million against the U.S. dollar outstanding as of both June 30, 2009 and March 31, 2009.

We recognized a $16 million loss and a $28 million gain in OCI for the three months ended June 30, 2009 and 2008, respectively, for our currency exchange contracts designated as net investment hedges.

Cash Flow Hedges

We own an interest in an electricity swap which we have designated as a cash flow hedge against our exposure to fluctuating electricity prices. The effective portion of gain or loss on the derivative is included in OCI and reclassified when settled into (Gain) loss on change in fair value of derivatives, net in our accompanying condensed consolidated statements of operations. As of June 30, 2009, the outstanding portion of this swap includes 1.9 million megawatt hours through 2017.

We use interest rate swaps to manage our exposure to changes in the benchmark LIBOR interest rate arising from our variable-rate debt. We have designated these as cash flow hedges. The effective portion of gain or loss on the derivative is included in OCI and reclassified when settled into Interest expense and amortization of debt issuance costs in our accompanying condensed consolidated statements of operations. We had $910 million and $690 million of outstanding interest rate swaps designated as cash flow hedges as of June 30, 2009 and March 31, 2009, respectively.

For all derivatives designated as cash flow hedges, gains or losses representing hedge ineffectiveness are recognized in (Gain) loss on change in fair value of derivative instruments, net in our current period earnings. If at any time during the life of a cash flow hedge relationship we determine that the relationship is no longer effective, the derivative will be no longer be designated as a cash flow hedge. This could occur if the underlying hedged exposure is determined to no longer be probable, or if our ongoing assessment of hedge effectiveness determines that the hedge relationship no longer meets the measures we have established at the inception of the hedge. Gains or losses recognized to date in AOCI would be immediately reclassified into current period earnings, as would any subsequent changes in the fair value of any such derivative.

During the next twelve months we expect to realize $11 million in effective net losses from our cash flow hedges. The maximum period over which we have hedged our exposure to cash flow variability is through 2017.

The following table summarizes the impact on AOCI and earnings of derivative instruments designated as cash flow hedges (in millions).

	Gain (Loss) Recognized in OCI	Gain (Loss) Reclassified from AOCI into Income	Gain or (Loss) Recognized in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing)
	Three Months Ended June 30, 2009	Three Months Ended June 30, 2009	Three Months Ended June 30, 2009
Energy contracts	$ 9	$ (1)	$ 2
Interest rate swaps	$ 1	$ —	$ —

Novelis Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) — (Continued)

	Gain (Loss) Recognized in OCI Three Months Ended June 30, 2008	Gain (Loss) Reclassified from AOCI into Income Three Months Ended June 30, 2008	Gain or (Loss) Recognized in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing) Three Months Ended June 30, 2008
Energy contracts	$ 10	$ (3)	$ —
Interest rate swaps	$ 6	$ —	$ —

Derivative Instruments Not Designated as Hedges

While each of these derivatives is intended to be effective in helping us manage risk, they have not been designated as hedging instruments under FASB 133. The change in fair value of these derivative instruments is included in (Gain) loss on change in fair value of derivative instruments, net in the accompanying condensed consolidated statement of operations.

We use aluminum forward contracts and options to hedge our exposure to changes in the London Metal Exchange (LME) price of aluminum. These exposures arise from firm commitments to sell aluminum in future periods at fixed or capped prices, the forecasted output of our smelter operations in South America and the forecasted metal price lag associated with firm commitments to sell aluminum in future periods at prices based on the LME. In addition, transactions with certain customers meet the definition of a derivative under FASB 133 and are recognized as assets or liabilities at fair value on the accompanying condensed consolidated balance sheets. As of June 30, 2009 and March 31, 2009, we had 362 kilotonnes (kt) and 294 kt, respectively, of outstanding aluminum contracts not designated as hedges.

We recognize a derivative position which arises from a contractual relationship with a customer that entitles us to pass-through the economic effect of trading positions that we take with other third parties on our customers' behalf.

We use foreign exchange forward contracts and cross-currency swaps to manage our exposure to changes in exchange rates. These exposures arise from recorded assets and liabilities, firm commitments and forecasted cash flows denominated in currencies other than the functional currency of certain of our operations. As of June 30, 2009 and March 31, 2009, we had outstanding currency exchange contracts with a total notional amount of $1.3 billion and $1.4 billion, respectively, not designated as hedges.

We use interest rate swaps to manage our exposure to fluctuating interest rates associated with variable-rate debt. As of June 30, 2009 and March 31, 2009, we had $10 million and $10 million, respectively, of outstanding interest rate swaps that were not designated as hedges.

We use heating oil swaps and natural gas swaps to manage our exposure to fluctuating energy prices in North America. As of June 30, 2009 and March 31, 2009, we had 3.3 million gallons and 3.4 million gallons, respectively, of heating oil swaps and 2.8 million MMBTUs and 3.8 million MMBTUs, respectively, of natural gas that were not designated as hedges. One MMBTU is the equivalent of one decatherm, or one million British Thermal Units.

The following table summarizes the gains (losses) recognized in current period earnings (in millions).

	Three Months Ended June 30,	
	2009	2008
Derivative Instruments Not Designated as Hedges		
Aluminum contracts	$ 48	$ 22
Currency exchange contracts	22	32
Energy contracts	—	7
Gain (loss) recognized	70	61
Derivative Instruments Designated as Cash Flow Hedges		
Interest rate swaps	—	—
Electricity swap	2	4
Gain (loss) on change in fair value of derivative instruments, net	$ 72	$ 65

11. FAIR VALUE MEASUREMENTS

The following is a description of valuation methodologies used for assets and liabilities recorded at fair value and for estimating fair value for financial instruments not recorded at fair value under FASB 107, *Disclosure about Fair Value of Financial Instruments (FASB 107)*.

FASB 157 Instruments

The following table presents our assets and liabilities that are measured and recognized at fair value on a recurring basis classified under the appropriate level of the fair value hierarchy as of June 30, 2009 and March 31, 2009 (in millions).

	June 30, 2009 Fair Value Measurements Using			
	Level 1(A)	Level 2(B)	Level 3(C)	Total
Assets — Derivative instruments	$ —	$ 169	$ —	$ 169
Liabilities — Derivative instruments	$ —	$ (347)	$ (27)	$ (374)

	March 31, 2009 Fair Value Measurements Using			
	Level 1(A)	Level 2(B)	Level 3(C)	Total
Assets — Derivative instruments	$ —	$ 191	$ —	$ 191
Liabilities — Derivative instruments	$ —	$ (644)	$ (44)	$ (688)

(A) Level 1 — Unadjusted quoted prices in active markets for identical, unrestricted assets or liabilities that we have the ability to access at the measurement date.

(B) Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

(C) Level 3 — Unobservable inputs for which there is little or no market data, which require us to develop our own assumptions based on the best information available as what market participants would use in pricing the asset or liability.

For certain of our derivative contracts whose fair values are based upon trades in liquid markets, such as aluminum forward contracts and options, valuation model inputs can generally be verified and valuation

techniques do not involve significant judgment. The fair values of such financial instruments are generally classified within Level 2 of the fair value hierarchy.

The majority of our derivative contracts are valued using industry-standard models that use observable market inputs as their basis, such as time value, forward interest rates, volatility factors, and current (spot) and forward market prices for foreign exchange rates. We generally classify these instruments within Level 2 of the valuation hierarchy. Such derivatives include interest rate swaps, cross-currency swaps, foreign currency forward contracts and certain energy-related forward contracts (e.g., natural gas).

We classify derivative contracts that are valued based on models with significant unobservable market inputs as Level 3 of the valuation hierarchy. These derivatives include certain of our energy-related forward contracts (e.g., electricity) and certain foreign currency forward contracts. Models for these fair value measurements include inputs based on estimated future prices for periods beyond the term of the quoted prices.

FASB 157 requires that for Level 2 and 3 of the fair value hierarchy, where appropriate, valuations are adjusted for various factors such as liquidity, bid/offer spreads and credit considerations (nonperformance risk).

Financial instruments classified as Level 3 in the fair value hierarchy represent derivative contracts (primarily energy-related and certain foreign currency forward contracts) in which at least one significant unobservable input is used in the valuation model. We incurred unrealized losses of $26 million related to Level 3 financial instruments that were still held as of June 30, 2009. These unrealized losses are included in (Gain) loss on change in fair value of derivative instruments, net.

The following table presents a reconciliation of fair value activity for Level 3 derivative contracts on a net basis (in millions).

	Level 3 Derivative Instruments(A)
Balance as of March 31, 2009	$ (44)
Net realized/unrealized gains included in earnings(B)	10
Net realized/unrealized gains included in Other comprehensive income(C)	5
Net purchases, issuances and settlements	2
Net transfers in and/or (out) of Level 3	—
Balance as of June 30, 2009	$ (27)

(A) Represents derivative assets net of derivative liabilities.

(B) Included in (Gain) loss on change in fair value of derivative instruments, net.

(C) Included in Change in fair value of effective portion of hedges, net.

FASB 107 Instruments

Our estimates of fair value are based on (1) quoted market price (applicable to our 7.25% Senior Notes) and (2) discounted cash flow model with a discount rate commensurate with the risk inherent in the projected cash flows and reflects the rate of return required by an investor in the current economic situation (applicable to our Floating rate Term Loan facility, unsecured credit facility, capital lease obligations and Novelis Korea Limited Bank loans). We determined that carrying amounts for our long-term receivables from related parties and our other debt approximates fair value. The fair value of our letters of credit is based on the availability under such credit agreements.

Novelis Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) — (Continued)

The table below is a summary of fair value estimates as of June 30, 2009 and March 31, 2009, for financial instruments, as defined by FASB 107, excluding short-term financial assets and liabilities, for which carrying amounts approximate fair value, and excluding financial instruments recorded at fair value on a recurring basis (FASB 157 instruments) (in millions).

	June 30, 2009		March 31, 2009	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Assets				
Long-term receivables from related parties	$ 23	$ 22	$ 23	$ 21
Liabilities				
Long-term debt				
Novelis Inc.				
7.25% Senior Notes, due February 2015	1,169	859	1,171	454
Floating rate Term Loan facility, due July 2014	294	243	295	200
Unsecured credit facility — related party, due January 2015	94	107	91	93
Novelis Corporation				
Floating rate Term Loan facility, due July 2014	813	710	813	584
Novelis Switzerland S.A.				
Capital lease obligation, due December 2019 (CHF 50 million)	43	40	42	36
Capital lease obligation, due August 2011 (CHF 2 million)	2	2	2	2
Novelis Korea Limited				
Bank loan, due October 2010	100	90	100	83
Bank loan, due February 2010 (KRW 50 billion)	39	37	37	33
Bank loan, due May 2009 (KRW 10 billion)	—	—	7	7
Other				
Other debt, due April 2009 through December 2012	1	1	1	1
Financial commitments				
Letters of credit	—	102	—	134

12. OTHER (INCOME) EXPENSES, NET

Other (income) expenses, net is comprised of the following (in millions).

	Three Months Ended June 30,	
	2009	2008
Exchange (gains) losses, net	$ (4)	$ 20
Impairment charges on long-lived assets	—	1
Gain on disposal of property, plant and equipment, net	(1)	(1)
Gain on tax litigation settlement in Brazil	(6)	—
Other, net	(2)	3
Other (income) expenses, net	$ (13)	$ 23

13. INCOME TAXES

A reconciliation of the Canadian statutory tax rates to our effective tax rates is as follows (in millions, except percentages).

	Three Months Ended June 30,	
	2009	2008
Pre-tax income before equity in net loss of non-consolidated affiliates	$ 283	$ 63
Canadian statutory tax rate	30%	31%
Provision at the Canadian statutory rate	85	20
Increase (decrease) for taxes on income (loss) resulting from:		
Exchange translation items	12	9
Exchange remeasurement of deferred income taxes	23	20
Change in valuation allowances	1	3
Expense (income) items not subject to tax	1	(4)
Tax rate differences on foreign earnings	(11)	(14)
Uncertain tax positions	1	1
Provision	$ 112	$ 35
Effective tax rate	40%	56%

As of June 30, 2009, we had a net deferred tax liability of $365 million, including deferred tax assets of approximately $417 million for net operating loss and tax credit carryforwards. The carryforwards begin expiring in 2010 with some amounts being carried forward indefinitely. As of June 30, 2009, valuation allowances of $142 million had been recorded against net operating loss carryforwards and tax credit carryforwards, where it appeared more likely than not that such benefits will not be realized. Realization is dependent on generating sufficient taxable income prior to expiration of the tax attribute carryforwards. Although realization is not assured, management believes it is more likely than not that all the remaining net deferred tax assets will be realized. In the near term, the amount of deferred tax assets considered realizable could be reduced if we do not generate sufficient taxable income in certain jurisdictions.

14. COMMITMENTS AND CONTINGENCIES

Legal Proceedings

Coca-Cola Lawsuit. A lawsuit was commenced against Novelis Corporation on February 15, 2007 by Coca-Cola Bottler's Sales and Services Company LLC (CCBSS) in Georgia state court. CCBSS is a consortium of Coca-Cola bottlers across the United States, including Coca-Cola Enterprises Inc. CCBSS alleges that Novelis Corporation breached an aluminum can stock supply agreement between the parties, and seeks monetary damages in an amount to be determined at trial and a declaration of its rights under the agreement. The agreement includes a "most favored nations" provision regarding certain pricing matters. CCBSS alleges that Novelis Corporation breached the terms of the "most favored nations" provision. The dispute will likely turn on the facts that are presented to the court by the parties and the court's finding as to how certain provisions of the agreement ought to be interpreted. If CCBSS were to prevail in this litigation, the amount of damages would likely be material. Novelis Corporation has filed its answer and the parties are proceeding with discovery.

Environmental Matters

The following describes certain environmental matters relating to our business.

We are involved in proceedings under the U.S. Comprehensive Environmental Response, Compensation, and Liability Act, also known as CERCLA or Superfund, or analogous state provisions regarding liability arising from the usage, storage, treatment or disposal of hazardous substances and wastes at a number of sites in the United States, as well as similar proceedings under the laws and regulations of the other jurisdictions in which we have operations, including Brazil and certain countries in the European Union. Many of these jurisdictions have laws that impose joint and several liability, without regard to fault or the legality of the original conduct, for the costs of environmental remediation, natural resource damages, third party claims, and other expenses. In addition, we are, from time to time, subject to environmental reviews and investigations by relevant governmental authorities.

As described further in the following paragraph, we have established procedures for regularly evaluating environmental loss contingencies, including those arising from such environmental reviews and investigations and any other environmental remediation or compliance matters. We believe we have a reasonable basis for evaluating these environmental loss contingencies, and we believe we have made reasonable estimates of the costs that are likely to be borne by us for these environmental loss contingencies. Accordingly, we have established reserves based on our reasonable estimates for the currently anticipated costs associated with these environmental matters. We estimate that the undiscounted remaining clean-up costs related to all of our known environmental matters as of June 30, 2009 will be approximately $52 million. Of this amount, $40 million is included in Other long-term liabilities, with the remaining $12 million included in Accrued expenses and other current liabilities in our condensed consolidated balance sheet as of June 30, 2009. Management has reviewed the environmental matters, including those for which we assumed liability as a result of our spin-off from Rio Tinto Alcan. As a result of this review, management has determined that the currently anticipated costs associated with these environmental matters will not, individually or in the aggregate, materially impair our operations or materially adversely affect our financial condition, results of operations or liquidity.

With respect to environmental loss contingencies, we record a loss contingency whenever such contingency is probable and reasonably estimable. The evaluation model includes all asserted and unasserted claims that can be reasonably identified. Under this evaluation model, the liability and the related costs are quantified based upon the best available evidence regarding actual liability loss and cost estimates. Except for those loss contingencies where no estimate can reasonably be made, the evaluation model is fact-driven and attempts to estimate the full costs of each claim. Management reviews the status of, and estimated liability related to, pending claims and civil actions on a quarterly basis. The estimated costs in respect of such reported liabilities are not offset by amounts related to cost-sharing between parties, insurance, indemnification arrangements or contribution from other potentially responsible parties (PRPs) unless otherwise noted.

Brazil Tax Matters

Primarily as a result of legal proceedings with Brazil's Ministry of Treasury regarding certain taxes in South America, as of June 30, 2009 and March 31, 2009, we had cash deposits aggregating approximately $38 million and $30 million, respectively, in judicial depository accounts pending finalization of the related cases. The depository accounts are in the name of the Brazilian government and will be expended towards these legal proceedings or released to us, depending on the outcome of the legal cases. These deposits are included in Other long-term assets — third parties in our accompanying condensed consolidated balance sheets. In addition, we are involved in several disputes with Brazil's Ministry of Treasury about various forms of manufacturing taxes and social security contributions, for which we have made no judicial deposits but for which we have established reserves ranging from $7 million to $108 million as of June 30, 2009. In total, these reserves approximate $128 million as of June 30, 2009 and are included in Other long-term liabilities in our accompanying condensed consolidated balance sheet.

On May 28, 2009, the Brazilian government passed a law allowing taxpayers to settle certain federal tax disputes with the Brazilian tax authorities, including disputes relating to a Brazilian national tax on manufactured products, through an installment program. Pursuant to the installment plan, companies can elect to (a) pay the principal amount of the disputed tax amounts over a near-term period (e.g., 1-60 monthly installments) and receive a 35-45% discount on the interest and 80-100% discount on the penalties owed, (b) pay the principal and interest over a medium-term period (e.g., 60-120 monthly installments) and receive a 30-35% discount on the interest and 70-80% discount on the penalties owed, or (c) pay the full amount of the disputed tax amounts, including interest and penalties, over a longer-term period (e.g., 120-180 monthly installments) and receive a 25-30% discount on the interest and 60-70% discount on the penalties owed. Novelis has already joined the installment plan. The Ministry of Treasury enacted final installment plan regulations on July 23, 2009. The term for joining the installment plan will begin on August 17, 2009 and end on November 30, 2009. When we formally join the installment plan, we will elect (a) the amount of the tax disputes that will be settled and (b) the number of installments elected.

Guarantees of Indebtedness

We have issued guarantees on behalf of certain of our subsidiaries and non-consolidated affiliates, including certain of our wholly-owned subsidiaries and Aluminium Norf GmbH, which is a fifty percent (50%) owned joint venture that does not meet the requirements for consolidation under FIN 46(R).

In the case of our wholly-owned subsidiaries, the indebtedness guaranteed is for trade accounts payable to third parties. Some of the guarantees have annual terms while others have no expiration and have termination notice requirements. Neither we nor any of our subsidiaries or non-consolidated affiliates holds any assets of any third parties as collateral to offset the potential settlement of these guarantees.

Since we consolidate wholly-owned and majority-owned subsidiaries in our condensed consolidated financial statements, all liabilities associated with trade payables and short-term debt facilities for these entities are already included in our condensed consolidated balance sheets.

The following table discloses information about our obligations under guarantees of indebtedness of others as of June 30, 2009 (in millions). We did not have any obligations under guarantees of indebtedness related to our majority-owned subsidiaries as of June 30, 2009.

Type of Entity	Maximum Potential Future Payment	Liability Carrying Value
Wholly-owned subsidiaries	$ 45	$ 7
Aluminium Norf GmbH	$ 14	$ —

We have no retained or contingent interest in assets transferred to an unconsolidated entity or similar entity or similar arrangement that serves as credit, liquidity or market risk support to that entity for such assets.

15. SEGMENT, MAJOR CUSTOMER AND MAJOR SUPPLIER INFORMATION

Segment Information

Due in part to the regional nature of supply and demand of aluminum rolled products and in order to best serve our customers, we manage our activities on the basis of geographical areas and are organized under four operating segments: North America, Europe, Asia and South America. Corporate and Other includes functions that are managed directly from our corporate office, which focuses on strategy development and oversees governance, policy, legal compliance, human resources and finance matters. These expenses have not been allocated to the regions. It also includes consolidating and other elimination accounts.

Adjustment to Eliminate Proportional Consolidation. The financial information for our segments includes the results of our non-consolidated affiliates on a proportionately consolidated basis, which is consistent with the way we manage our business segments. However, under GAAP, these non-consolidated affiliates are accounted for using the equity method of accounting. Therefore, in order to reconcile the financial information for the segments shown in the tables below to the relevant GAAP-based measures, we must remove our proportional share of each line item that we included in the segment amounts. See Note 5 — Investment in and Advances to Non-Consolidated Affiliates and Related Party Transactions for further information about these non-consolidated affiliates.

We measure the profitability and financial performance of our operating segments, based on Segment income, in accordance with FASB Statement No. 131, *Disclosure About the Segments of an Enterprise and Related Information.* Segment income provides a measure of our underlying segment results that is in line with our portfolio approach to risk management. We define Segment income as earnings before (a) depreciation and amortization; (b) interest expense and amortization of debt issuance costs; (c) interest income; (d) unrealized gains (losses) on change in fair value of derivative instruments, net; (e) impairment of goodwill; (f) impairment charges on long-lived assets (other than goodwill); (g) gain on extinguishment of debt; (h) noncontrolling interests' share; (i) adjustments to reconcile our proportional share of Segment income from non-consolidated affiliates to income as determined on the equity method of accounting; (k) restructuring charges, net; (k) gains or losses on disposals of property, plant and equipment and businesses, net; (l) other costs, net; (m) litigation settlement, net of insurance recoveries; (n) sale transaction fees; (o) provision or benefit for taxes on income (loss) and (p) cumulative effect of accounting change, net of tax.

Additionally, management changed how Segment income is defined beginning with the quarter ended June 30, 2009. Total Segment income now includes corporate selling, general and administrative costs, realized gains (losses) on corporate derivatives and certain other costs. The prior period has been recast herein to reflect this change in definition.

The tables below show selected segment financial information (in millions).

Selected Segment Financial Information

Total Assets	North America	Europe	Asia	South America	Corporate and Other	Adjustment to Eliminate Proportional Consolidation	Total
June 30, 2009	$ 2,808	$ 2,793	$ 817	$ 1,341	$ 38	$ (217)	$ 7,580
March 31, 2009	$ 2,973	$ 2,750	$ 732	$ 1,296	$ 50	$ (234)	$ 7,567

Selected Operating Results Three Months Ended June 30, 2009	North America	Europe	Asia	South America	Corporate and Other	Adjustment to Eliminate Proportional Consolidation	Total
Net sales	$ 767	$ 665	$ 326	$ 204	$ —	$ (2)	$ 1,960
Segment income	57	33	38	11	(15)	—	124
Depreciation and amortization	41	48	11	18	1	(19)	100
Capital expenditures	6	11	3	7	—	(3)	24

Novelis Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) — (Continued)

Selected Operating Results Three Months Ended June 30, 2008	North America	Europe	Asia	South America	Corporate and Other	Adjustment to Eliminate Proportional Consolidation	Total
Net sales	$ 1,083	$ 1,219	$ 511	$ 295	$ —	$ (5)	$ 3,103
Segment income	42	111	31	47	(13)	—	218
Depreciation and amortization	42	63	15	17	1	(22)	116
Capital expenditures	7	19	5	6	—	(4)	33

The following table shows the reconciliation from total Segment income to Net income attributable to our common shareholder (in millions).

	Three Months Ended June 30,	
	2009	2008
Total Segment income	$ 124	$ 218
Depreciation and amortization	(100)	(116)
Interest expense and amortization of debt issuance costs	(43)	(45)
Interest income	3	5
Unrealized gains on change in fair value of derivative instruments, net(A)	299	20
Impairment charges on long-lived assets	—	(1)
Adjustment to eliminate proportional consolidation	(16)	(18)
Restructuring recoveries (charges), net	(3)	1
Other costs, net	9	(3)
Income before income taxes	273	61
Income tax provision	112	35
Net income	161	26
Net income attributable to noncontrolling interests	18	2
Net income attributable to our common shareholder	$ 143	$ 24

(A) Unrealized gains (losses) on change in fair value of derivative instruments, net represents the portion of gains (losses) that were not settled in cash during the period. Total realized and unrealized gains (losses) are shown in the table below and are included in the aggregate each period in (Gain) loss on change in fair value of derivative instruments, net on our condensed consolidated statements of operations.

	Three Months Ended June 30,	
	2009	2008
Gains (losses) on change in fair value of derivative instruments, net:		
Realized gains (losses) included in Segment income	$ (228)	$ 45
Realized gains on corporate derivative instruments	1	—
Unrealized gains	299	20
Gains on change in fair value of derivative instruments, net	$ 72	$ 65

Information about Major Customers and Primary Supplier

The table below shows our net sales to Rexam Plc (Rexam) and Anheuser-Busch Companies (Anheuser-Busch), our two largest customers, as a percentage of total Net sales.

	Three Months Ended June 30,	
	2009	2008
Rexam	20%	16%
Anheuser-Busch	12%	7%

Rio Tinto Alcan is our primary supplier of metal inputs, including prime and sheet ingot. During the three months ended June 30, 2009 and 2008, purchases from Rio Tinto Alcan as a percentage of total combined prime and sheet ingot purchases (in kt) was 43% and 35%, respectively, in each period.

16. SUPPLEMENTAL GUARANTOR INFORMATION

In connection with the issuance of our Senior Notes, certain of our wholly-owned subsidiaries provided guarantees of the Senior Notes. These guarantees are full and unconditional as well as joint and several. The guarantor subsidiaries (the Guarantors) are comprised of the majority of our businesses in Canada, the U.S., the U.K., Brazil, Portugal, Luxembourg and Switzerland, as well as certain businesses in Germany. Certain Guarantors may be subject to restrictions on their ability to distribute earnings to Novelis Inc. (the Parent). The remaining subsidiaries (the Non-Guarantors) of the Parent are not guarantors of the Senior Notes.

The following information presents condensed consolidating statements of operations, balance sheets and statements of cash flows of the Parent, the Guarantors, and the Non-Guarantors. Investments include investment in and advances to non-consolidated affiliates as well as investments in net assets of divisions included in the Parent, and have been presented using the equity method of accounting.

NOVELIS INC.

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
(In millions)

	Three Months Ended June 30, 2009				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
Net sales	$ 168	$ 1,534	$ 551	$ (293)	$ 1,960
Cost of goods sold (exclusive of depreciation and amortization shown below)	156	1,214	456	(293)	1,533
Selling, general and administrative expenses	10	56	12	—	78
Depreciation and amortization	1	78	21	—	100
Research and development expenses	5	3	—	—	8
Interest expense and amortization of debt issuance costs	26	30	3	(16)	43
Interest income	(15)	(3)	(1)	16	(3)
(Gain) loss on change in fair value of derivative instruments, net	(2)	(61)	(9)	—	(72)
Restructuring charges, net	—	3	—	—	3
Equity in net (income) loss of non-consolidated affiliates	(147)	10	—	147	10
Other (income) expenses, net	(7)	7	(13)	—	(13)
	27	1,337	469	(146)	1,687
Income (loss) before income taxes	141	197	82	(147)	273
Income tax provision (benefit)	(2)	101	13	—	112
Net income	143	96	69	(147)	161
Net income attributable to noncontrolling interests	—	—	18	—	18
Net income (loss) attributable to our common shareholder	$ 143	$ 96	$ 51	$ (147)	$ 143

NOVELIS INC.

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
(In millions)

	Three Months Ended June 30, 2008				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
Net sales	$ 395	$ 2,582	$ 836	$ (710)	$ 3,103
Cost of goods sold (exclusive of depreciation and amortization shown below)	387	2,377	777	(710)	2,831
Selling, general and administrative expenses	—	62	22	—	84
Depreciation and amortization	6	89	21	—	116
Research and development expenses	8	3	1	—	12
Interest expense and amortization of debt issuance costs	28	34	8	(25)	45
Interest income	(21)	(5)	(4)	25	(5)
(Gain) loss on change in fair value of derivative instruments, net	—	(61)	(4)	—	(65)
Restructuring charges, net	—	(1)	—	—	(1)
Equity in net (income) loss of non-consolidated affiliates	(31)	2	—	31	2
Other (income) expenses, net	(7)	15	15	—	23
	370	2,515	836	(679)	3,042
Income (loss) before income taxes	25	67	—	(31)	61
Income tax provision (benefit)	1	33	1	—	35
Net income (loss)	24	34	(1)	(31)	26
Net income attributable to noncontrolling interests	—	—	2	—	2
Net income (loss) attributable to our common shareholder	$ 24	$ 34	$ (3)	$ (31)	$ 24

NOVELIS INC.

CONDENSED CONSOLIDATING BALANCE SHEET
(In millions)

	June 30, 2009				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
ASSETS					
Current assets					
Cash and cash equivalents	$ 7	$ 142	$ 88	$ —	$ 237
Accounts receivable, net of allowances					
— third parties	16	817	321	—	1,154
— related parties	502	199	42	(724)	19
Inventories	34	543	236	—	813
Prepaid expenses and other current assets	4	32	14	—	50
Fair value of derivative instruments	3	124	7	(23)	111
Deferred income tax assets	—	109	16	—	125
Total current assets	566	1,966	724	(747)	2,509
Property, plant and equipment, net	156	2,126	513	—	2,795
Goodwill	—	571	11	—	582
Intangible assets, net	—	781	—	—	781
Investments in and advances to non-consolidated affiliates	1,823	739	1	(1,823)	740
Fair value of derivative instruments, net of current portion	3	32	26	(3)	58
Deferred income tax assets	1	4	—	—	5
Other long-term assets	1,014	211	92	(1,207)	110
Total assets	$ 3,563	$ 6,430	$ 1,367	$ (3,780)	$ 7,580
LIABILITIES AND SHAREHOLDER'S EQUITY					
Current liabilities					
Current portion of long-term debt	$ 3	$ 3	$ 39	$ —	$ 45
Short-term borrowings					
— third parties	—	227	10	—	237
— related parties	17	356	23	(396)	—
Accounts payable					
— third parties	39	456	290	—	785
— related parties	37	233	107	(325)	52
Fair value of derivative instruments	9	277	75	(23)	338
Accrued expenses and other current liabilities	58	366	85	(2)	507
Deferred income tax liabilities	—	—	—	—	—
Total current liabilities	163	1,918	629	(746)	1,964
Long-term debt, net of current portion					
— third parties	1,461	854	101	—	2,416
— related parties	222	963	117	(1,208)	94
Deferred income tax liabilities	—	476	19	—	495
Accrued postretirement benefits	29	361	127	—	517
Other long-term liabilities	63	291	5	(3)	356
Total liabilities	1,938	4,863	998	(1,957)	5,842
Commitments and contingencies					
Shareholder's equity					
Common stock	—	—	—	—	—
Additional paid-in capital	3,497	—	—	—	3,497
Retained earnings/(accumulated deficit)/owner's net investment	(1,786)	1,615	378	(1,994)	(1,787)
Accumulated other comprehensive income (loss)	(86)	(48)	(123)	171	(86)
Total equity of our common shareholder	1,625	1,567	255	(1,823)	1,624
Noncontrolling interests	—	—	114	—	114
Total equity	1,625	1,567	369	(1,823)	1,738
Total liabilities and equity	$ 3,563	$ 6,430	$ 1,367	$ (3,780)	$ 7,580

NOVELIS INC.

CONDENSED CONSOLIDATING BALANCE SHEET
(In millions)

	As of March 31, 2009				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
ASSETS					
Current assets					
Cash and cash equivalents	$ 3	$ 175	$ 70	$ —	$ 248
Accounts receivable, net of allowances					
— third parties	21	761	267	—	1,049
— related parties	411	183	32	(601)	25
Inventories	31	523	239	—	793
Prepaid expenses and other current assets	4	31	16	—	51
Fair value of derivative instruments	—	145	7	(33)	119
Deferred income tax assets	—	192	24	—	216
Total current assets	470	2,010	655	(634)	2,501
Property, plant and equipment, net	162	2,146	491	—	2,799
Goodwill	—	570	12	—	582
Intangible assets, net	—	787	—	—	787
Investments in and advances to non-consolidated affiliates	1,647	719	—	(1,647)	719
Fair value of derivative instruments, net of current portion	—	46	28	(2)	72
Deferred income tax assets	1	3	—	—	4
Other long-term assets	1,028	207	96	(1,228)	103
Total assets	$ 3,308	$ 6,488	$ 1,282	$ (3,511)	$ 7,567
LIABILITIES AND SHAREHOLDER'S EQUITY					
Current liabilities					
Current portion of long-term debt	$ 3	$ 4	$ 44	$ —	$ 51
Short-term borrowings					
— third parties	—	231	33	—	264
— related parties	7	330	22	(359)	—
Accounts payable					
— third parties	33	458	234	—	725
— related parties	41	157	90	(240)	48
Fair value of derivative instruments	7	540	126	(33)	640
Accrued expenses and other current liabilities	34	395	90	(3)	516
Deferred income tax liabilities	—	—	—	—	—
Total current liabilities	125	2,115	639	(635)	2,244
Long-term debt, net of current portion					
— third parties	1,464	852	101	—	2,417
— related parties	223	976	120	(1,228)	91
Deferred income tax liabilities	—	459	10	—	469
Accrued postretirement benefits	27	346	122	—	495
Other long-term liabilities	50	288	5	(1)	342
Total liabilities	1,889	5,036	997	(1,864)	6,058
Commitments and contingencies					
Shareholder's equity					
Common stock	—	—	—	—	—
Additional paid-in capital	3,497	—	—	—	3,497
Retained earnings/(accumulated deficit)/owner's net investment	(1,930)	1,533	325	(1,858)	(1,930)
Accumulated other comprehensive income (loss)	(148)	(81)	(130)	211	(148)
Total equity of our common shareholder	1,419	1,452	195	(1,647)	1,419
Noncontrolling interests	—	—	90	—	90
Total equity	1,419	1,452	285	(1,647)	1,509
Total liabilities and equity	$ 3,308	$ 6,488	$ 1,282	$ (3,511)	$ 7,567

NOVELIS INC.

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
(In millions)

	Three Months Ended June 30, 2009				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
OPERATING ACTIVITIES					
Net cash provided by (used in) operating activities	$ 3	$ 131	$ 151	$ (27)	$ 258
INVESTING ACTIVITIES					
Capital expenditures	(1)	(18)	(5)	—	(24)
Proceeds from sales of property, plant and equipment	—	—	3	—	3
Changes to investment in and advances to non-consolidated affiliates	—	3	—	—	3
Proceeds from loans receivable, net — related parties	—	6	—	—	6
Net proceeds from settlement of derivative instruments	(1)	(179)	(43)	—	(223)
Net cash provided by (used in) investing activities	(2)	(188)	(45)	—	(235)
FINANCING ACTIVITIES					
Proceeds from issuance of debt — related party	3	—	—	—	3
Principal payments					
— third parties	(1)	(3)	(8)	—	(12)
— related parties	(9)	5	(59)	63	—
Short-term borrowings, net					
— third parties	—	(8)	(25)	—	(33)
— related parties	10	26	—	(36)	—
Dividends — noncontrolling interests	—	—	(1)	—	(1)
Net cash provided by (used in) financing activities	3	20	(93)	27	(43)
Net increase (decrease) in cash and cash equivalents	4	(37)	13	—	(20)
Effect of exchange rate changes on cash balances held in foreign currencies	—	4	5	—	9
Cash and cash equivalents — beginning of period	3	175	70	—	248
Cash and cash equivalents — end of period	$ 7	$ 142	$ 88	$ —	$ 237

NOVELIS INC.

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
(In millions)

	Three Months Ended June 30, 2008				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
OPERATING ACTIVITIES					
Net cash provided by (used in) operating activities	$ 4	$ (313)	$ (7)	$ (35)	$ (351)
INVESTING ACTIVITIES					
Capital expenditures	(1)	(25)	(7)	—	(33)
Proceeds from sales of property, plant and equipment	—	1	—	—	1
Changes to investment in and advances to non-consolidated affiliates	—	6	—	—	6
Proceeds from loans receivable — net — related parties	—	8	—	—	8
Net proceeds from settlement of derivative instruments	—	21	13	—	34
Net cash provided by (used in) investing activities	(1)	11	6	—	16
FINANCING ACTIVITIES					
Principal payments					
— third parties	(1)	(2)	(1)	—	(4)
— related parties	—	5	(30)	25	—
Short-term borrowings — net					
— third parties	—	288	25	—	313
— related parties	—	(5)	(5)	10	—
Net cash provided by (used in) financing activities	(1)	286	(11)	35	309
Net increase (decrease) in cash and cash equivalents	2	(16)	(12)	—	(26)
Effect of exchange rate changes on cash balances held in foreign currencies	—	—	(4)	—	(4)
Cash and cash equivalents — beginning of period	12	177	137	—	326
Cash and cash equivalents — end of period	$ 14	$ 161	$ 121	$ —	$ 296


ADITYA BIRLA
NOVELIS

PART II: INFORMATION NOT REQUIRED IN THE PROSPECTUS

Item 20. ***Indemnification of Directors and Officers.***

The Canada Business Corporations Act (the "Act"), the governing act to which the Company is subject, provides that,

(1) a corporation may indemnify a Director or Officer of the Corporation, a former Director or Officer of the Corporation or another individual who acts or acted at the Corporation's request as a Director or Officer or an individual acting in a similar capacity, of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation or other entity.

(2) a corporation may advance moneys to a Director, Officer or other individual for the costs, charges and expenses of a proceeding referred to paragraph (1). However, the individual shall repay the moneys if he or she does not fulfill the conditions of paragraph (3).

(3) a corporation may not indemnify an individual under paragraph (1), unless the individual

(a) acted honestly and in good faith with a view to the best interests of the Corporation, or, as the case may be, to the best interests of the other entity for which the individual acted as a director or officer or in a similar capacity at the Corporation's request; and

(b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that the individual's conduct was lawful.

(4) A Corporation may with the approval of a court indemnify an individual referred to in paragraph (1), or advance moneys under paragraph (2), in respect of an action by or on behalf of the Corporation or other entity to procure a judgment in its favor, to which the individual is made a party because of the individual's association with the Corporation or other entity as described in paragraph (1) against all costs, charges and expenses reasonably incurred by the individual in connection with such action if the individual fulfils the conditions set out in paragraph (3).

(5) Despite paragraph (1), an individual referred to in paragraph (1) is entitled to indemnity from the Corporation in respect of all costs, charges and expenses reasonably incurred by the individual in connection with the defense of any civil, criminal, administrative, investigative or other proceeding to which the individual is subject because of the individual's association with the Corporation or other entity as described in paragraph (1), if the individual seeking indemnity:

(a) was not judged by the court or other competent authority to have committed any fault or omitted to do anything that the individual ought to have done; and

(b) fulfils the conditions set out in paragraph (3).

The Amended and Restated By-Laws of the Corporation, adopted July 24, 2008 contain provisions governing the indemnification of Directors and Officers of the Corporation which represent, in general terms, the extent to which Directors and Officers may be indemnified by the Company under the Act. The By-Laws provide as follows:

"SECTION 6.01. *Indemnity.* Subject to the limitations contained in the governing Act but without limit to the right of the Corporation to indemnify as provided for in the Act, the Corporation shall indemnify a Director or Officer, a former Director or Officer, or a person who acts or acted at the Corporation's request as a Director or Officer or in a similar capacity of another entity at the Corporation's request (or a person who undertakes or has undertaken any liability on behalf of the Corporation or at the Corporation's request on behalf of any such other entity) and his heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or

satisfy a judgment, reasonably incurred by him in respect of any civil, criminal, administrative, investigative or other proceeding to which he is made a party by reason of being or having been a Director or Officer of the Corporation or such body corporate or by reason of having undertaken such liability.

SECTION 6.02. *Limitation.* The corporation may not indemnify an individual under Section 6.01 unless the individual (a) acted honestly and in good faith with a view to the best interests of the Corporation; and (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.

SECTION 6.03. *Insurance.* The Corporation may purchase and maintain insurance for the benefit of any person referred to in Section 6.01 to the extent permitted by the Act."

The Company also has an insurance policy covering Directors and Officers of the Company and of its subsidiaries against certain liabilities which might be incurred by them in their capacities as such, but excluding those claims for which such insured persons could be indemnified by the Company or its subsidiaries.

Item 21. ***Exhibits.***

The exhibits listed below in the "Index to Exhibits" are part of this Registration Statement on Form S-4 and are numbered in accordance with Item 601 of Regulation S-K.

Item 22. ***Undertakings.***

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually of in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for purposes of determining liability under the Securities Act of 1933 to any purchaser:

(i) Each prospectus filed pursuant to Rule 424(b) as part of the registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as

of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(5) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of securities:

The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(6) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the act and will be governed by the final adjudication of such issue.

(7) To respond to requests for information that is incorporated by reference into the prospectus pursuant to Items 4, 10(b), 11, or 13 of this Form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(8) To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

NOVELIS INC.

By: /s/ Philip Martens
Name: Philip Martens
Title: President and Chief Operating Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Philip Martens Philip Martens	President and Chief Operating Officer (Principal Executive Officer)	September 11, 2009
/s/ Steven Fisher Steven Fisher	Senior Vice President and Chief Financial Officer (Principal Financial Officer)	September 11, 2009
/s/ Robert Nelson Robert Nelson	Vice President, Controller and Chief Accounting Officer (Principal Accounting Officer)	September 11, 2009
/s/ Kumar Mangalam Birla Kumar Mangalam Birla	Chairman of the Board of Directors	September 11, 2009
/s/ Askaran Agarwala Askaran Agarwala	Director	September 11, 2009
/s/ Debnarayan Bhattacharya Debnarayan Bhattacharya	Vice Chairman, Director	September 11, 2009
 Clarence J. Chandran	Director	
/s/ Donald A. Stewart Donald A. Stewart	Director	September 11, 2009
/s/ Brock Shealy Brock Shealy	Authorized Representative in the United States of America	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

NOVELIS CORPORATION

By: /s/ Jean-Marc Germain
Name: Jean-Marc Germain
Title: President

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Jean-Marc Germain Jean-Marc Germain	Director, President (Principal Executive Officer)	September 3, 2009
/s/ Glen Guman Glen Guman	Director, Vice President and Treasurer (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ Brock Shealy Brock Shealy	Director	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

EUROFOIL INC. (USA)

By: /s/ John Tillman
Name: John Tillman
Title: President

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ John Tillman John Tillman	Director, President (Principal Executive Officer)	September 3, 2009
/s/ Glen Guman Glen Guman	Vice President and Treasurer (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ Gordon Becker Gordon Becker	Director	September 3, 2009
/s/ Brock Shealy Brock Shealy	Director	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

NOVELIS PAE CORPORATION

By: /s/ John Tillman
Name: John Tillman
Title: President

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ John Tillman John Tillman	Director, President (Principal Executive Officer)	September 3, 2009
/s/ Glen Guman Glen Guman	Vice President and Treasurer (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ Gordon Becker Gordon Becker	Director	September 3, 2009
/s/ Brock Shealy Brock Shealy	Director	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

ALUMINUM UPSTREAM HOLDINGS LLC

By: /s/ Brock Shealy
Name: Brock Shealy
Title: President

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Brock Shealy Brock Shealy	Director, President (Principal Executive Officer)	September 11, 2009
/s/ Randal P. Miller Randal P. Miller	Treasurer (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ Steve Fisher Steve Fisher	Director	September 11, 2009
/s/ Philip Martens Philip Martens	Director	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

NOVELIS BRAND LLC

By: /s/ Marion Greenhalgh
Name: Marion Greenhalgh
Title: President and Secretary

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Marion Greenhalgh Marion Greenhalgh	Director, President and Secretary (Principal Executive Officer) (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

NOVELIS SOUTH AMERICA HOLDINGS LLC

By: /s/ Brock Shealy
Name: Brock Shealy
Title: President

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Brock Shealy Brock Shealy	Director, President (Principal Executive Officer)	September 11, 2009
/s/ Randal P. Miller Randal P. Miller	Treasurer (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ Steve Fisher Steve Fisher	Director	September 11, 2009
/s/ Philip Martens Philip Martens	Director	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

NOVELIS CAST HOUSE TECHNOLOGY LTD.

By: /s/ Marion Greenhalgh
Name: Marion Greenhalgh
Title: President and Secretary

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Marion Greenhalgh Marion Greenhalgh	Director, President and Secretary (Principal Executive Officer) (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ Christopher Courts Christopher Courts	Director	September 11, 2009
/s/ Christopher Courts Christopher Courts	Authorized Representative in the United States of America	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

NOVELIS NO. 1 LIMITED PARTNERSHIP

By: 4260848 CANADA INC.,
as General Partner

By: /s/ Marion Greenhalgh
Name: Marion Greenhalgh
Title: President and Secretary

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Marion Greenhalgh Marion Greenhalgh	Director, President and Secretary 4260848 Canada Inc. (Principal Executive Officer) (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ Christopher Courts Christopher Courts	Authorized Representative in the United States of America	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

4260848 CANADA INC.

By: /s/ Marion Greenhalgh
Name: Marion Greenhalgh
Title: President and Secretary

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Marion Greenhalgh Marion Greenhalgh	Director, President and Secretary (Principal Executive Officer) (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ Christopher Courts Christopher Courts	Director	September 11, 2009
/s/ Christopher Courts Christopher Courts	Authorized Representative in the United States of America	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

4260856 CANADA INC.

By: /s/ Marion Greenhalgh
Name: Marion Greenhalgh
Title: President and Secretary

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Marion Greenhalgh Marion Greenhalgh	Director, President and Secretary (Principal Executive Officer) (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ Christopher Courts Christopher Courts	Director	September 11, 2009
/s/ Christopher Courts Christopher Courts	Authorized Representative in the United States of America	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

NOVELIS EUROPE HOLDINGS LIMITED

By: /s/ Antonio Tadeu Coelho Nardocci
Name: Antonio Tadeu Coelho Nardocci
Title: Director

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Antonio Tadeu Coelho Nardocci Antonio Tadeu Coelho Nardocci	Director (Principal Executive Officer)	September 11, 2009
/s/ Colin Bond Colin Bond	Director (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ David Sneddon David Sneddon	Director	September 7, 2009
/s/ James Gunningham James Gunningham	Director	September 4, 2009
/s/ Christopher Courts Christopher Courts	Authorized Representative in the United States of America	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

NOVELIS UK LTD.

By: /s/ Antonio Tadeu Coelho Nardocci
Name: Antonio Tadeu Coelho Nardocci
Title: Director

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Antonio Tadeu Coelho Nardocci Antonio Tadeu Coelho Nardocci	Director (Principal Executive Officer)	September 11, 2009
/s/ Colin Bond Colin Bond	Director (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ David Sneddon David Sneddon	Director	September 7, 2009
/s/ Christopher Courts Christopher Courts	Authorized Representative in the United States of America	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

NOVELIS SERVICES LIMITED

By: /s/ Colin Bond
Name: Colin Bond
Title: Director

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Colin Bond Colin Bond	Director (Principal Executive Officer) (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ James Gunningham James Gunningham	Director	September 4, 2009
/s/ David Sneddon David Sneddon	Director	September 7, 2009
/s/ Christopher Courts Christopher Courts	Authorized Representative in the United States of America	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

NOVELIS DO BRASIL LTDA.

By: /s/ Antonio Tadeu Coelho Nardocci
Name: Antonio Tadeu Coelho Nardocci
Title: Corporate Matters President

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Antonio Tadeu Coelho Nardocci Antonio Tadeu Coelho Nardocci	Director, Corporate Matters President (Principal Executive Officer)	September 11, 2009
/s/ Alexandre Almeida Alexandre Almeida	Director, Executive President	September 11, 2009
/s/ Alexandre Sesso Alexandre Sesso	Director, Finance Director (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ Christopher Courts Christopher Courts	Authorized Representative in the United States of America	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

NOVELIS AG

By: /s/ Antonie Tadeu Coelho Nardocci
Name: Antonie Tadeu Coelho Nardocci
Title: President

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Antonie Tadeu Coelho Nardocci Antonie Tadeu Coelho Nardocci	Director, President (Principal Executive Officer)	September 11, 2009
/s/ Colin Bond Colin Bond	Director (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ Erwin Mayr Erwin Mayr	Director	September 11, 2009
/s/ Christopher Courts Christopher Courts	Authorized Representative in the United States of America	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

NOVELIS SWITZERLAND S.A.

By: /s/ Antonie Tadeu Coelho Nardocci
Name: Antonie Tadeu Coelho Nardocci
Title: President

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Antonie Tadeu Coelho Nardocci Antonie Tadeu Coelho Nardocci	Director, President (Principal Executive Officer)	September 11, 2009
/s/ Colin Bond Colin Bond	Director (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ Erwin Mayr Erwin Mayr	Director	September 11, 2009
/s/ Christopher Courts Christopher Courts	Authorized Representative in the United States of America	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

NOVELIS TECHNOLOGY AG

By: /s/ Antonie Tadeu Coelho Nardocci
Name: Antonie Tadeu Coelho Nardocci
Title: President

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Antonie Tadeu Coelho Nardocci Antonie Tadeu Coelho Nardocci	Director, President (Principal Executive Officer)	September 11, 2009
/s/ Colin Bond Colin Bond	Director (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ Erwin Mayr Erwin Mayr	Director	September 11, 2009
/s/ Christopher Courts Christopher Courts	Authorized Representative in the United States of America	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

NOVELIS ALUMINIUM HOLDING COMPANY

By: /s/ Andreas Thiele
Name: Andreas Thiele
Title: Director

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Andreas Thiele Andreas Thiele	Director (Principal Executive Officer)	September 11, 2009
/s/ Colin Bond Colin Bond	Director (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ Tony Lucido Tony Lucido	Director	September 11, 2009
/s/ Christopher Courts Christopher Courts	Authorized Representative in the United States of America	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

NOVELIS DEUTSCHLAND GMBH

By: /s/ Erwin Mayr
Name: Erwin Mayr
Title: Managing Director

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Erwin Mayr Erwin Mayr	Managing Director (Principal Executive Officer)	September 11, 2009
/s/ Gottfried Weindl Gottfried Weindl	Managing Director (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ Christopher Courts Christopher Courts	Authorized Representative in the United States of America	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

NOVELIS LUXEMBOURG S.A.

By: /s/ François Coeffic
Name: François Coeffic
Title: Director

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ François Coeffic François Coeffic	Director (Principal Executive Officer)	September 11, 2009
/s/ Luigi Pisa Luigi Pisa	Director (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ Pierre Labat Pierre Labat	Director	September 11, 2009
/s/ Christopher Courts Christopher Courts	Authorized Representative in the United States of America	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

NOVELIS PAE S.A.S.

By: /s/ Philippe Charlier
Name: Philippe Charlier
Title: President

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Philippe Charlier Philippe Charlier	President (Principal Executive Officer)	September 4, 2009
/s/ Jean-Marc Baudino Jean-Marc Baudino	Financial Manager (Principal Financial Officer) (Principal Accounting Officer)	September 4, 2009
/s/ Christopher Courts Christopher Courts	Authorized Representative in the United States of America	September 11, 2009

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on September 11, 2009.

NOVELIS MADEIRA, UNIPESSOAL, LDA

By: /s/ Nick Madden
Name: Nick Madden
Title: Director

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brock Shealy, Randal Miller and Christopher Courts and each of them his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this registration statement, and any related registration statement filed pursuant to Rule 462(b), and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Nick Madden Nick Madden	Director (Principal Executive Officer)	September 11, 2009
/s/ Alexandre Almeida Alexandre Almeida	Director (Principal Financial Officer) (Principal Accounting Officer)	September 11, 2009
/s/ James Gunningham James Gunningham	Director	September 10, 2009
/s/ Andreas Glapka Andreas Glapka	Director	September 10, 2009
Rosa Maria de Canha Ornelas Frazão Afonso	Director	
Roberto Luiz Homem	Director	
/s/ Christopher Courts Christopher Courts	Authorized Representative in the United States of America	September 11, 2009

Exhibit No.	Description of Exhibit
2.1	Arrangement Agreement by and among Hindalco Industries Limited, AV Aluminum Inc. and Novelis Inc., dated as of February 10, 2007 (incorporated by reference to Exhibit 2.1 to our Current Report on Form 8-K filed on February 13, 2007 (File No. 001-32312)).
3.1	Restated Certificate and Articles of Incorporation of Novelis Inc. (incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K filed on January 7, 2005 (File No. 001-32312)).
3.2	Novelis Inc. Amended and Restated Bylaws, adopted as of July 24, 2008 (incorporated by reference to Exhibit 3.2 to our Current Report on Form 8-K filed on July 25, 2008 (File No. 001-32312)).
3.3	Articles of Amendment to the Articles of Incorporation of Novelis Corporation (formerly Alcan Aluminum Corporation) (incorporated by reference to Exhibit 3.3 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.4	Articles of Amendment to the Articles of Incorporation of Novelis Corporation (incorporated by reference to Exhibit 3.4 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.5	Articles of Incorporation of Novelis Corporation (incorporated by reference to Exhibit 3.5 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.6	Bylaws of Novelis Corporation (incorporated by reference to Exhibit 3.6 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.7	Certificate of Amendment of Certificate of Incorporation of Novelis PAE Corporation (formerly Pechiney Aluminum Engineering, Inc.) (incorporated by reference to Exhibit 3.7 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.8	Certificate of Incorporation of Novelis PAE Corporation (incorporated by reference to Exhibit 3.8 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.9	By-laws of Novelis PAE Corporation (incorporated by reference to Exhibit 3.9 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.10	Certificate of Incorporation of Eurofoil Inc. (USA) (incorporated by reference to Exhibit 3.10 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.11	By-laws of Eurofoil Inc. (USA) (incorporated by reference to Exhibit 3.11 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.12	Certificate of Formation of Aluminum Upstream Holdings LLC (incorporated by reference to Exhibit 3.33 to our Post-Effective Amendment No. 1 to Registration Statement on Form S-4 filed on December 1, 2006 (File No. 333-127139)).
3.13	Certificate of Amendment No. 1 to Certificate of Formation of Aluminum Upstream Holdings LLC.
3.14	Limited Liability Company Agreement of Aluminum Upstream Holdings LLC (incorporated by reference to Exhibit 3.35 to our Post-Effective Amendment No. 1 to Registration Statement on Form S-4 filed on December 1, 2006 (File No. 333-127139)).
3.15	Certificate of Formation of Novelis South America Holdings LLC (incorporated by reference to Exhibit 3.36 to our Post-Effective Amendment No. 1 to Registration Statement on Form S-4 filed on December 1, 2006 (File No. 333-127139)).
3.16	Certificate of Amendment No. 1 to Certificate of Formation of Novelis South America Holdings LLC.
3.17	Limited Liability Company Agreement of Novelis South America Holdings LLC (incorporated by reference to Exhibit 3.34 to our Post-Effective Amendment No. 1 to Registration Statement on Form S-4 filed on December 1, 2006 (File No. 333-127139)).
3.18	Certificate of Formation of Novelis Brand LLC (formerly Novelis Finances USA LLC) (incorporated by reference to Exhibit 3.31 to our Post-Effective Amendment No. 1 to Registration Statement on Form S-4 filed on December 1, 2006 (File No. 333-127139)).
3.19	Certificate of Amendment No. 1 to Certificate of Formation of Novelis Brand LLC.
3.20	Certificate of Amendment No. 2 to Certificate of Formation of Novelis Brand LLC.
3.21	Limited Liability Company Agreement of Novelis Brand LLC (formerly Novelis Finances USA LLC) (incorporated by reference to Exhibit 3.32 to our Post-Effective Amendment No. 1 to Registration Statement on Form S-4 filed on December 1, 2006 (File No. 333-127139)).
3.22	Articles of Association of Novelis do Brasil Ltda. (incorporated by reference to Exhibit 3.12 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.23	Amendment No. 1 to Articles of Association of Novelis do Brasil Ltda.
3.24	Amendment No. 2 to Articles of Association of Novelis do Brasil Ltda.

Exhibit No.	Description of Exhibit
3.25	Amendment No. 3 to Articles of Association of Novelis do Brasil Ltda.
3.26	Certificate and Articles of Incorporation of 4260848 Canada Inc. (incorporated by reference to Exhibit 3.13 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.27	By-law No. 1 of 4260848 Canada Inc. (incorporated by reference to Exhibit 3.14 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.28	Certificate and Articles of Incorporation of 4260856 Canada Inc. (incorporated by reference to Exhibit 3.15 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.29	By-law No. 1 of 4260856 Canada Inc. (incorporated by reference to Exhibit 3.16 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.30	Amendment of Articles of Incorporation of Novelis Cast House Technology Ltd. (incorporated by reference to Exhibit 3.17 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.31	Certificate and Articles of Incorporation of Novelis Cast House Technology Ltd. (incorporated by reference to Exhibit 3.18 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.32	By-law No. 2 of Novelis Cast House Technology Ltd. (incorporated by reference to Exhibit 3.19 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.33	By-law No. 1 of Novelis Cast House Technology Ltd. (incorporated by reference to Exhibit 3.20 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.34	Amended and Restated Limited Partnership Agreement of Novelis No. 1 Limited Partnership.
3.35	Bylaws of Novelis Deutschland GmbH.
3.36	Certificate of Incorporation on Change of Name of Novelis Aluminium Holding Company (incorporated by reference to Exhibit 3.22 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.37	Memorandum and Articles of Association of Novelis Aluminium Holding Company (incorporated by reference to Exhibit 3.23 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.38	Articles of Association of Novelis AG (incorporated by reference to Exhibit 3.24 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.39	Articles of Association of Novelis Technology AG (incorporated by reference to Exhibit 3.25 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.40	Articles of Association for Novelis Switzerland S.A.
3.41	Memorandum of Association of Novelis UK Ltd. (incorporated by reference to Exhibit 3.27 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.42	Articles of Association of Novelis UK Ltd. (incorporated by reference to Exhibit 3.28 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.43	Memorandum of Association of Novelis Europe Holdings Ltd. (incorporated by reference to Exhibit 3.29 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.44	Articles of Association of Novelis Europe Holdings Ltd. (incorporated by reference to Exhibit 3.30 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
3.45	Memorandum of Association of Novelis Services Limited.
3.46	Articles of Association of Novelis Services Limited.
3.47	Articles of Novelis Luxembourg S.A.
3.48	Bylaws of Novelis PAE S.A.S.
3.49	Articles of Novelis Madeira, Unipessoal, Lda.
4.1	Shareholder Rights Agreement between Novelis Inc. and CIBC Mellon Trust Company (incorporated by reference to Exhibit 4.1 to our Annual Report on Form 10-K filed on March 30, 2005 (File No. 001-32312)).
4.2	First Amendment to the Shareholder Rights Agreement between Novelis Inc. and CIBC Mellon Trust Company, dated as of February 10, 2007 (incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed February 13, 2007 (File No. 001-32312)).
4.3	Specimen Certificate of Novelis Inc. Common Shares (incorporated by reference to Exhibit 4.2 to our Registration Statement on Form 10-12B filed on December 27, 2004 (File No. 001-32312)).

Exhibit No.	Description of Exhibit
4.4	Indenture, relating to the 7 1/4% Senior Notes due 2015, dated as of February 3, 2005, between the Company, the guarantors named on the signature pages thereto and The Bank of New York Trust Company, N.A., as trustee (incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed on February 3, 2005 (File No. 001-32312)).
4.5	Form of Note for 71/4% Senior Notes due 2015 (incorporated by reference to Exhibit 4.1 to our Registration Statement on Form S-4 filed on August 3, 2005 (File No. 333-127139)).
4.6	Supplemental Indenture, between the Company, Novelis Finances USA LLC, Novelis South America Holdings LLC, Aluminum Upstream Holdings LLC and the Bank of New York Trust Company, N.A. (incorporated by reference to Exhibit 4.6 to our Post-Effective Amendment No. 1 to our Registration Statement on Form S-4 Registration Statement filed on December 1, 2006 (File No. 333-127139)).
4.7	Supplemental Indenture, among the Company, Novelis No. 1 Limited Partnership, and the Bank of New York Trust Company, N.A., as trustee, dated as of May 14, 2007 (incorporated by reference to Exhibit 4.7 to our Annual Report on Form 10-K filed on June 29, 2009 (File No. 001-32312)).
4.8	Supplemental Indenture, among the Company, Novelis Luxembourg SA, and The Bank of New York Mellon Trust Company, N.A., as trustee, dated as of January 29, 2008 (incorporated by reference to Exhibit 4.8 to our Annual Report on Form 10-K filed on June 29, 2009 (File No. 001-32312)).
4.9	Supplemental Indenture, among the Company, Bellona-Trading Internacional, Sociedade Unipessoal, LDA, and The Bank of New York Mellon Trust Company, N.A., as trustee, dated as of June 26, 2008 (incorporated by reference to Exhibit 4.9 to our Annual Report on Form 10-K filed on June 29, 2009 (File No. 001-32312)).
4.10	Supplemental Indenture, among the Company, Novelis Services Limited, and The Bank of New York Mellon Trust Company N.A., as trustee, dated as of July 10, 2008 (incorporated by reference to Exhibit 4.10 to our Annual Report on Form 10-K filed on June 29, 2009 (File No. 001-32312)).
4.11	Supplemental Indenture, among the Company, Novelis PAE SAS, and The Bank of New York Mellon Trust Company N.A., as trustee, dated as of September 16, 2008 (incorporated by reference to Exhibit 4.11 to our Annual Report on Form 10-K filed on June 29, 2009 (File No. 001-32312)).
4.12	Indenture, relating to the 11 1/2% Senior Notes due 2015, dated as of August 11, 2009, between the Company, the guarantors named on the signature pages thereto and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.13	Registration Rights Agreement, dated as of August 11, 2009, among the Company, the guarantors named on the signature pages thereto, Credit Suisse Securities (USA) LLC, as Representative of the Initial Purchasers (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on August 17, 2009 (File No. 001-32312)).
4.14	Form of Note for 11 1/2% Senior Notes due 2015 (included in Exhibit 4.12).
5.1	Opinion of King & Spalding LLP regarding the legality of securities being registered.
5.2	Opinion of Torys LLP.
5.3	Opinion of Lavery de Billy.
5.4	Opinion of MacFarlanes.
5.5	Opinion of Elvinger Dessoy Dennewald.
5.6	Opinion of Ernst & Young Société d'Avocats.
5.7	Opinion of Noerr Stiefenhofer Lutz.
5.8	Opinion of CMS von Erlach Henrici AG.
5.9	Opinion of A&L Goodbody
5.10	Opinion of Levy & Salomão Advogados.
5.11	Opinion of Vieira de Almeida & Associados.
10.1	$800 million asset-based lending credit facility ("ABL Facility") dated as of July 6, 2007 among Novelis Inc., Novelis Corporation as U.S. Borrower, the other U.S. Subsidiaries of Novelis Inc., Novelis UK Ltd, Novelis AG, AV Aluminum Inc. as parent guarantor, the other guarantors party thereto, with the lenders party thereto, ABN AMRO Bank N.V., as U.S./European issuing bank, swingline lender and administrative agent, LaSalle Business Credit, LLC, as collateral agent and funding agent, UBS Securities LLC, as syndication agent, Bank of America, N.A., National City Business Credit, Inc. and CIT Business Credit Canada Inc., as documentation agents, ABN AMRO Bank N.V. Canada Branch, as Canadian issuing bank, Canadian funding agent and Canadian administrative agent, and ABN AMRO Incorporated and UBS Securities LLC, as joint lead arrangers and joint book managers (incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q filed on November 9, 2007) (File No. 001-32312)).

Exhibit No.	Description of Exhibit
10.2	$960 million term loan facility ("Term Loan Facility") dated as of July 6, 2007 among Novelis Inc., Novelis Corporation as U.S. Borrower, AV Aluminum Inc., as Holdings, and the other guarantors party thereto, with the lenders party thereto, UBS AG, Stamford Branch, as administrative agent and as collateral agent, UBS Securities LLC, as syndication agent, ABN AMRO Incorporated, as documentation agent, and UBS Securities LLC and ABN AMRO Incorporated as joint lead arrangers and joint book managers (incorporated by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q filed on November 9, 2007) (File No. 001-32312)).
10.3	Intercreditor Agreement dated as of July 6, 2007 by and among Novelis Inc., Novelis Corporation, Novelis PAE Corporation, Novelis Finances USA LLC, Novelis South America Holdings LLC, Aluminum Upstream Holdings LLC, Novelis UK Ltd, Novelis AG, AV Aluminum Inc., and the subsidiary guarantors party thereto, as grantors, ABN AMRO BANK N.V., as revolving credit administrative agent ABN AMRO Bank N.A., acting through its Canadian branch, as revolving credit Canadian administrative agent and as revolving credit Canadian funding agent, La Salle Business Credit, LLC, as revolving credit collateral agent and as revolving credit funding agent, and UBS AG, Stamford Branch, as Term Loan administrative agent, and Term Loan collateral agent (incorporated by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q filed on November 9, 2007) (File No. 001-32312)).
10.4	Security Agreement made by Novelis Inc., as Canadian Borrower, Novelis Corporation, as U.S. Borrower and the guarantors from time to time party thereto in favor of UBS AG, Stamford branch, as collateral agent dated as of July 6, 2007 (incorporated by reference to Exhibit 10.4 to our Quarterly Report on Form 10-Q filed on November 9, 2007) (File No. 001-32312)).
10.5	Security Agreement made by Novelis Inc., as Canadian Borrower, Novelis Corporation, Novelis PAE Corporation, Novelis Finances USA LLC, Novelis South America Holdings LLC, Aluminum Upstream Holdings LLC, as U.S. Borrowers and the guarantors from time to time party thereto in favor of La Salle Business Credit, LLC, as collateral agent dated as of July 6, 2007 (incorporated by reference to Exhibit 10.5 to our Quarterly Report on Form 10-Q filed on November 9, 2007) (File No. 001-32312)).
10.6**	Amended and Restated Metal Supply Agreement between Novelis Inc., as Purchaser, and Alcan Inc., as Supplier, for the supply of re-melt aluminum ingot (incorporated by reference to Exhibit 10.6 to our Annual Report on Form 10-K filed on June 19, 2008 (File No. 001-32312)).
10.7**	Amended and Restated Molten Metal Supply Agreement between Novelis Inc., as Purchaser, and Alcan Inc., as Supplier, for the supply of molten metal to Purchaser's Saguenay Works facility) (incorporated by reference to Exhibit 10.7 to our Annual Report on Form 10-K filed on June 19, 2008 (File No. 001-32312)).
10.8**	Amended and Restated Metal Supply Agreement between Novelis Inc., as Purchaser, and Alcan Inc., as Supplier, for the supply of sheet ingot in North America (incorporated by reference to Exhibit 10.8 to our Annual Report on Form 10-K filed on June 19, 2008) (File No. 001-32312)).
10.9**	Amended and Restated Metal Supply Agreement between Novelis Inc., as Purchaser, and Alcan Inc., as Supplier, for the supply of sheet ingot in Europe (incorporated by reference to Exhibit 10.9 to our Annual Report on Form 10-K filed on June 19, 2008) (File No. 001-32312)).
10.10*	Employment Agreement of Martha Finn Brooks (incorporated by reference to Exhibit 10.33 to our Registration Statement on Form 10-12B filed by Novelis Inc. on December 22, 2004 (File No. 001-32312)).
10.11*	Employment Arrangement between Steven Fisher and Novelis Inc. (incorporated by reference to our Current Report on Form 8-K filed on May 21, 2007 and our Current Report on Form 8-K/A filed on August 15, 2007 (File No. 001-32312)).
10.12*	Letter Agreement, dated October 20, 2006, by and between Novelis Inc. and Thomas Walpole (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on October 26, 2006 (File No. 001-32312)).
10.13*	Employment Agreement of Antonio Tadeu Coelho Nardocci dated as of November 8, 2004 (incorporated by reference to Exhibit 10.16 to our Annual Report on Form 10-K filed on June 19, 2008) (File No. 001-32312)).
10.14*	Employment Agreement of Arnaud de Weert (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on April 3, 2006 (File No. 001-32312)).
10.15*	Form of Change in Control Agreement between Novelis Inc. and certain executive officers (incorporated by reference to Exhibit 99.1 to our Current Report on Form 8-K filed on September 27, 2006 (File No. 001-32312)).
10.16*	Form of Change in Control Agreement between Novelis Inc. and certain executive officers and key employees (incorporated by reference to Exhibit 99.2 to our Current Report on Form 8-K filed on September 27, 2006 (File No. 001-32312)).

Exhibit No.	Description of Exhibit
10.17*	Form of Recognition Agreement between Novelis Inc. and certain executive officers and key employees (incorporated by reference to Exhibit 99.3 to our Current Report on Form 8-K filed on September 27, 2006 (File No. 001-32312)).
10.18*	Form of Amendment to Recognition Agreements (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K/A filed May 8, 2007 (File No. 001-32312)).
10.19*	Form of SAR Award (incorporated by reference to Exhibit 10.3 to our Current Report on Form 8-K filed on November 1, 2006 (File No. 001-32312)).
10.20*	Novelis Inc. 2006 Incentive Plan, as amended (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on November 1, 2006 (File No. 001-32312)).
10.21*	Form of Non-Qualified Stock Option Award (incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed on November 1, 2006 (File No. 001-32312)).
10.22*	Form of Novelis Long-Term Incentive Plan for Fiscal 2008-2010 (incorporated by reference to Exhibit 10.26 to our Annual Report on Form 10-K filed on June 19, 2008) (File No. 001-32312)).
10.23*	Form of Indemnity Agreement between Novelis Inc. and Members of the Board of Directors of Novelis Inc. (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on May 21, 2007 (File No. 001-32312)).
10.24*	Form of Indemnity Agreement between Novelis Inc. and certain executive officers dated as of June 27, 2007 (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on June 28, 2007(File No. 001-32312)).
10.25*	Form of Amended and Restated Novelis Founders Performance Awards Plan dated March 14, 2006 (incorporated by reference to Exhibit 10.7 to our Current Report on Form 8-K filed on March 20, 2006 (File No. 001-32312)).
10.26*	First Amendment to the Amended and Restated Novelis Founders Performance Awards Plan (incorporated by reference to our Current Report on Form 8-K/A filed May 8, 2007 (File No. 001-32312)).
10.27*	Novelis Founders Performance Award Notification for Martha Brooks dated March 31, 2005 (incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed on March 21, 2006 (File No. 001-32312)).
10.28*	Novelis Founders Performance Award Notification for Thomas Walpole dated March 31, 2005 (incorporated by reference to Exhibit 10.36 to our Annual Report on Form 10-K filed on June 19, 2008) (File No. 001-32312)).
10.29*	Novelis Founders Performance Award Notification for Antonio Tadeu Coelho Nardocci dated March 31, 2005 (incorporated by reference to Exhibit 10.37 to our Annual Report on Form 10-K filed on June 19, 2008) (File No. 001-32312)).
10.30*	Form of Novelis Annual Incentive Plan for 2007 — 2008 (incorporated by reference to Exhibit 10.39 to our Annual Report on Form 10-K filed on June 19, 2008) (File No. 001-32312)).
10.31*	Employment Agreement of Jean-Marc Germain dated as of April 28, 2008 (incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q filed on August 14, 2008 (File No. 001-32312)).
10.32*	Form of Novelis Long-Term Incentive Plan for Fiscal 2009-2012 (incorporated by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q filed on August 14, 2008 (File No. 001-32312)).
10.33*	Employment Agreement of Alexandre Moreira Martins de Almeida dated as of August 8, 2008 (incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q filed on November 10, 2008 (File No. 001-32312)).
10.34*	Amended Novelis Long-Term Incentive Plan for Fiscal 2009-2012 (incorporated by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q filed on February 17, 2009 (File No. 001-32312)).
10.35*	Employment Agreement of Philip Martens, dated as of April 11, 2009 (incorporated by reference to Exhibit 10.36 to our Annual Report on Form 10-K filed on June 29, 2009 (File No. 001-32312)).
10.36	Joinder Agreement, among Novelis No. 1 Limited Partnership, its Subsidiaries listed on the Pledge and Security Agreement dated as of January 7, 2005, and Citicorp North America, Inc., as administrative agent, dated as of May 14, 2007 (incorporated by reference to Exhibit 10.37 to our Annual Report on Form 10-K filed on June 29, 2009 (File No. 001-32312)).
10.37	Joinder Agreement, among Novelis PAE S.A.S. and UBS AG, Stamford Branch, as administrative agent and collateral agent, dated as of September 12, 2008 (incorporated by reference to Exhibit 10.38 to our Annual Report on Form 10-K filed on June 29, 2009 (File No. 001-32312)).
10.38	Joinder Agreement, among Novelis PAE S.A.S. and LaSalle Business Credit, LLC, as funding agent, dated as of September 12, 2008 (incorporated by reference to Exhibit 10.39 to our Annual Report on Form 10-K filed on June 29, 2009 (File No. 001-32312)).

Exhibit No.	Description of Exhibit
10.39	Joinder Agreement, among Bellona-Trading Internacional, Sociedad Unipessoal, LDA and UBS AG, Stamford Branch, as administrative agent and as collateral agent, dated as of June 11, 2008 (incorporated by reference to Exhibit 10.40 to our Annual Report on Form 10-K filed on June 29, 2009 (File No. 001-32312)).
10.40	Joinder Agreement, among Novelis Services Limited, UBS AG, Stamford Branch, as administrative agent and as collateral agent, and LaSalle Business Credit, LLC, as funding agent and as collateral agent, dated as of July 16, 2008 (incorporated by reference to Exhibit 10.41 to our Annual Report on Form 10-K filed on June 29, 2009 (File No. 001-32312)).
10.41*	Novelis Long-Term Incentive Plan for Fiscal Years 2010 -- 2013 (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on July 1, 2009 (File No. 001-32312)).
10.42*	Novelis Annual Incentive Plan for Fiscal Year 2010 (incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed on July 1, 2009 (File No. 001-32312)).
10.43*	Form Change in Control Agreement (incorporated by reference to Exhibit 10.3 to our Current Report on Form 8-K filed on July 1, 2009 (File No. 001-32312)).
10.44*	Form Severance Agreement (incorporated by reference to Exhibit 10.4 to our Current Report on Form 8-K filed on July 1, 2009 (File No. 001-32312)).
10.45*	Termination of Employment Agreement between Novelis AG and Arnaud deWeert, dated June 26, 2009 (incorporated by reference to Exhibit 10.5 to our Current Report on Form 8-K filed on July 1, 2009 (File No. 001-32312)).
10.46*	Change in Control Agreement between Novelis and Philip Martens, dated April 16, 2009 (incorporated by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q filed on August 3, 2009 (File No. 001-32312)).
10.47*	Separation and Release Agreement between Novelis and Martha Brooks, dated May 8, 2009 (incorporated by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q filed on August 3, 2009 (File No. 001-32312)).
10.48*	Employment Agreement between Novelis Inc. and Antonio Tadeu Coelho Nardocci (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K/A filed on September 9, 2009 (File No. 001-32312)).
11.1	Statement regarding computation of per share earnings (incorporated by reference to “Note 19 — Earnings per Share” to the Consolidated and Combined Financial Statements.
12.1	Statement regarding computation of ratio of earnings to fixed charges.
21.1	List of subsidiaries of Novelis Inc.
23.1	Consent of PricewaterhouseCoopers LLP.
23.2	Consent of King & Spalding LLP (included as part of Exhibit 5.1).
23.3	Consent of Torys LLP (included as part of Exhibit 5.2).
23.4	Consent of Lavery de Billy (included as part of Exhibit 5.3).
23.5	Consent of MacFarlanes (included as part of Exhibit 5.4).
23.6	Consent of Elvinger Dessoy Dennewald (included as part of Exhibit 5.5).
23.7	Consent of Ernst & Young Société d’Avocats (included as part of Exhibit 5.6).
23.8	Consent of Noerr Stiefenhofer Lutz (included as part of Exhibit 5.7).
23.9	Consent of CMS von Erlach Henrici AG (included as part of Exhibit 5.8).
23.10	Consent of A&L Goodbody (included as part of Exhibit 5.9).
23.11	Consent of Levy & Salomão Advogados (included as part of Exhibit 5.10).
23.12	Consent of Vieira de Almeida & Associados (included as part of Exhibit 5.11).
24.1	Powers of Attorney (included in the signature pages to this Registration Statement)
25.1	Statement of Eligibility on Form T-1 under the Trust Indenture Act of 1939 of The Bank of New York Mellon Trust Company, N.A., as trustee of the Indenture.
99.1	Form of Letter of Transmittal
99.2	Form of Notice of Guaranteed Delivery

* Indicates a management contract or compensatory plan or arrangement.

** Confidential treatment requested for certain portions of this Exhibit, which portions have been omitted and filed separately with the Securities and Exchange Commission.

Exhibit 3.13

STATE OF DELAWARE
CERTIFICATE OF AMENDMENT

1. Name of Limited Liability Company: ALUMINUM UPSTREAM HOLDINGS LLC

2. The Certificate of Formation of the limited liability company is hereby amended as follows: Strike out the statement relating to the limited liability company's registered office and registered agent and substitute in lieu thereof the following statement:

"The address of the registered office and the name and the address of the registered agent of the limited liability company required to be maintained by Section 18-104 of the Delaware Limited Liability Company Act are Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE 19808."

IN WITNESS WHEREOF, the undersigned have executed this Certificate on the 3 day of MARCH, A.D. 2008.

By: /S/LESLIE J. PARRETTE, JR
Authorized Person(s)

Name: LESLIE J. PARRETTE, JR
Print or Type

Exhibit 3.16

STATE OF DELAWARE
CERTIFICATE OF AMENDMENT

1. Name of Limited Liability Company: NOVELIS SOUTH AMERICA HOLDINGS LLC

2. The Certificate of Formation of the limited liability company is hereby amended as follows: Strike out the statement relating to the limited liability company's registered office and registered agent and substitute in lieu thereof the following statement:

"The address of the registered office and the name and the address of the registered agent of the limited liability company required to be maintained by Section 18-104 of the Delaware Limited Liability Company Act are Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE 19808."

IN WITNESS WHEREOF, the undersigned have executed this Certificate on the 3 day of MARCH, A.D. 2008.

By: /S/LESLIE J. PARRETTE, JR.
Authorized Person(s)

Name: LESLIE J. PARRETTE, JR
Print or Type

Exhibit 3.19

STATE OF DELAWARE
CERTIFICATE OF AMENDMENT

1. Name of Limited Liability Company: NOVELIS FINANCES USA LLC

2. The Certificate of Formation of the limited liability company is hereby amended as follows: Strike out the statement relating to the limited liability company's registered office and registered agent and substitute in lieu thereof the following statement:

"The address of the registered office and the name and the address of the registered agent of the limited liability company required to be maintained by Section 18-104 of the Delaware Limited Liability Company Act are Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE 19808."

IN WITNESS WHEREOF , the undersigned have executed this Certificate on the 3 day of MARCH, A.D. 2008.

By: /S/CHARLES R. ALEY
Authorized Person(s)

Name: CHARLES R. ALEY
Print or Type

Exhibit 3.20

CERTIFICATE OF AMENDMENT
TO THE
CERTIFICATE OF FORMATION
OF
NOVELIS FINANCES USA LLC

Novelis Finances USA LLC (the "Company"), a limited liability company organized and existing under and by virtue of the Limited Liability Company Act of the State of Delaware (the "Act"), hereby certifies as follows:

1. Pursuant to Sections 18-202 and 18-402 of the Act, and also pursuant to Article 6 of the Limited Liability Company Agreement of the Company, the sole Member of the Company, in lieu of a meeting and vote, duly adopted a resolution approving an amendment to the Certificate of Formation of the Company (the **"Certificate"**) to change the name of the Company to Novelis Brand LLC.

2. The text of the Certificate is hereby amended by restating Article First in its entirety to read as follows:

"The name of the limited liability company is Novelis Brand LLC."

IN WITNESS WHEREOF, the Company has caused this Certificate of Amendment to be executed as of this 10th day of September, 2008.

NOVELIS INC.,
Sole Member

By: /s/ Leslie J. Parrette, Jr.
Name: Leslie J. Parrette, Jr.
Title: Secretary

Exhibit 3.23

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[seal:] JUCESP REGISTER
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AMENDMENT TO THE ARTICLES OF INCORPORATION
OF NOVELIS DO BRASIL LTDA.

CNPJ/MF [Corporate Tax ID/Ministry of Finance] No. 60.561.800/0001–03
NIRE [Company Registration ID No.] 35.214.430.234

Hereby:

NOVELIS INC., a company duly organized and existing pursuant to the laws of Canada, with registered office at 3800 Royal Bank Plaza, South Tower, 200 Bay Street, P.O. Box 84, Toronto, Ontario, Canada, herein duly represented by its legal representative, Mr. ANTONIO TADEU COELHO NARDOCCI, identified below; and

ANTONIO TADEU COELHO NARDOCCI, Brazilian, married, engineer, holder of R.G. Identification Card No. 6.822.521 — SSP/SP, registered in the Registry of Natural Persons of the Ministry of the Treasury (CPF/MF) under No. 012.050.108—23, resident of and domiciled in the Capital of the State of Sao Paulo, with offices at Avenida das Nações Unidas No. 12,551, 15th Floor, Torre Empresarial World Trade Center of Sao Paulo, Brooklin Novo, Postal Code 04578—000,

members representing all of the capital stock of **NOVELIS DO BRASIL LTDA.**, a limited company, with registered office in the Capital of the State of Sao Paulo, at Avenida das Nações Unidas No. 12,551, 15th Floor, Torre Empresarial World Trade Center of Sao Paulo, Brooklin Novo, Postal Code 04578—000, registered in the National Registry of Legal Persons of the Ministry of the Treasury (CNPJ/MF) under No. 60.561.800/0001—03, with its articles of incorporation filed with the Board of Trade of the State of Sao Paulo under NIRE 35.214.430.234, in a meeting on May 13, 1997, and last corporate amendment recorded with the same body under No. 94.943/05—9, in a meeting of March 31, 2005, have jointly agreed and contracted to change the Articles of Incorporation of the Company pursuant to the following terms and conditions:

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1. Subsidiaries or Establishments

1.1 Through the 2nd Meeting of Members held on 02.15.2005, the Company decided to change the sole paragraph of Article 2 of its Articles of Incorporation, to record the new address of its Administrative Office then located at Avenida do Contorno No. 2905, Suite Nos. 1205 and 1208, Belo Horizonte — MG, registered in the CNPJ/MF under No. 60.561.800/0009—60 and with NIRE 3190147931—0; to Rua Antonio Albuquerque No. 271, 6th Floor, Edifício Office Tower, Bairro Funcionários, Belo Horizonte — MG, a decision which was not contained in the last change to the articles of incorporation recorded with the Board of Trade of Sao Paulo under no. 41.154/05—1, which is hereby regularized.

1.2 Through the 3rd Resolution of Members, made on 12.15.2005, the Company decided to authorize the removal of the Administrative Office located at Rua Antonio Albuquerque, registered in the CNPJ/MF under No. 60.561.800/0009—60 and with NIRE 3190147931—0, and the opening of the Administrative Office located at Avenida do Contorno No. 8000, suite 702, Edifício Wall Street, Bairro Santo Agostinho, Belo Horizonte — MG, registered in the CNPJ/MF 60.561.800/0013—47 and with NIRE 3190167769—3.

1.3 Through the 4th Resolution of Members, made on 12.16.2005, the Company decided to authorize the opening of an establishment called Mina Lagoa Seca, located at Estrada de Acesso à [access road to] Mina Lagoa Seca, no number, District of Acuruí, Municipality of Itabirito, State of Minas Gerais, registered in the CNPJ/MF under no. 60.561.800/0012—66 and with NIRE 3190167765—1.

1.4 The members resolve to correct the address of the establishment located at Estrada de Acesso à Serra de Antonio Pereira, registered in the CNPJ/MF under no. 60.561.800/0010—02 and with NIRE 3190149429—7, which is located in the Municipality of Ouro Preto, instead of the Municipality of Antonio Pereira.

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1.5 As a result of the decisions cited in items 1.1 to 1.4, above, the Sole Paragraph of Article 2 of the Company's Articles of Incorporation now reads as follows:

"Sole paragraph *— In addition to its registered office, described in the introduction, the Company has on this date subsidiaries or establishments at the following addresses, with the following registrations in the CNPJ/MF: Rua Felipe Camarão, 414, Santo André — SP — CNPJ/MF No. 60.561.800/0002—94; Avenida Américo René Gianetti, no number, Ouro Preto — MG — CNPJ/MF No. 60.561.800/0030—48; Fazenda Usina da Brecha, Guaraciaba — MG — CNPJ/MF No. 60.561.800/0032—00; Fazenda Usina do Salto, Ouro Preto — MG — CNPJ/MF No. 60.561.800/0033,90; Avenida Buriti, No. 1.087, Pindamonhangaba — SP — CNPJ/MF No. 60.561.800/0041—09; Estrada do Brito, no number, Ponte Nova — MG — CNPJ/MF No. 60.561.800/0051—72; Via das Torres, no number, Candeias — BA — CNPJ/MF No. 60.561.800/0086—00; Jazida Monjolo, no number, District of Padre Viegas, Mariana — MG — CNPJ/MF No. 60.561.800/0105—08; Jazida Fazenda do Lopes, no number, Caeté — MG — CNPJ/MF No. 60.561.800/0106—80; Mina Serra do Maquiné, no number, Caeté — MG — CNPJ/MF No. 60.561.800/0107—61; Fazenda Gandarela e Mato Grosso, no number, District of Conceição do Rio Acima, Santa Bárbara — MG — CNPJ/MF No. 60.561.800/0108—42; Depósito de Bauxita Acuruí, no number, 1tabirito — MG CNPJ/ MF No. 60.561.800/0109—23; Mina Galo, no number, District of Cafarnaum, Faria Lemos — MG — CNPJ/MF No. 60.561.800/0110—67; Estrada de Miguel Rodrigues a Barroca, no number, Cachoeira do Brumado, Municipality of Mariana — MG — CNPJ/MF No. 60.561.800/0005—37; Fazenda da Vargem, Municipality of Santa Bárbara — MG —CNPJ/MF No. 60.561.800/0006—18; Fazenda Usina de Furquim, Municipality of Mariana — MG — CNPJ/MF No. 60.561.800/0008—80; Via Matoin, no number, Aratu, Municipality of Candeias — BA — CNPJ/MF No. 60.561.800/0088—64; Estrada de acesso à Serra de Antonio Pereira, Municipality of Ouro Preto — MG — CNPJ/MF No. 60.561.800/0010—02, Av. do Contorno, No. 8.000, suite 702, Edifício Wall Street, Bairro Santo Agostinho, Belo Horizonte—MG — CNPJ/MF No. 60.561.800/0013—47; and Mina Lagoa Seca, Estrada de Acesso à Mina Lagoa Seca, no number, District of Acuruí, Municipality of Itabirito — MG — CNPJ/MF 60.561.800/0012—66."*

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2. Administration

2.1 The members resolve to amend item "l)" of the First Paragraph of Article 6 of the Company's Articles of Incorporation, which shall now govern with the following wording:

l) *to grant powers of attorney to attorneys to represent the Company judicially and extrajudicially, with powers to delegate, transfer, and make agreements;*

2.2 The members resolve to amend Paragraph Three of Article 6 of the Company's Articles of Incorporation, which shall now govern with the following wording:

"Paragraph Three *— The elected Directors, at the time they take office, shall state, under the penalties of the law, that they have not been convicted of any crime whose penalty prohibits them from participating in the Company's administration, under the terms stipulated in Article 1,011, § 1 of the Civil Code."*

2.3 The members resolve to amend Article 8 of the Company's Articles of Incorporation, which shall now govern with the following wording:

"Article 8 *— Without prejudice to the terms of Article 9, the General Manager, the Treasurer, and the agents cited in Article 6 shall have joint and several powers to grant powers of attorney on behalf of the Company to third parties so that they may have specific powers to complete the acts cited in Paragraphs One and Two of Article 6, above.*

3. Financial Statements and Dividends

3.1 The members resolve to amend Paragraph Four of Article 15 of the Company's Articles of Incorporation, which shall now govern with the following wording:

Paragraph Four *— The Company may also issue a balance sheet in shorter periods, it being the responsibility of the members to decide to distribute the*

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profits obtained on those balance sheets or incorporate them into the capital, pursuant to the terms of Paragraph One of Article 204 of Law No. 6,404, of December 15, 1976.

4. Pledging of Shares

4.1 Elimination of existing pledge. Pursuant to what was agreed to in the "*Discharge of Quota Pledge Agreement*," entered into on July 6, 2007, by the Company, Novelis Inc., identified above, and Citicorp North America, Inc., a financial institution duly organized and validly existing pursuant to the laws of Delaware, with its registered office in New York, State of New York, at 388 Greenwich Street, 19th Floor, New York, New York 10013, the members resolve to approve the elimination of the pledge on 120,130,999 (one hundred and twenty million one hundred and thirty thousand nine hundred and ninety-nine) units of capital, representing the capital stock of the Company, owned by the member Novelis Inc., identified above, made in favor of Citicorp North America, Inc., identified above.

4.2 Establishment of a new quota pledge. Pursuant to the terms and conditions of the "*Quota Pledge Agreement*" contracts entered into on July 6, 2007, by and between (a) the Company, Novelis Inc., identified above, and LaSalle Business Credit, LLC, and (b) the Company, Novelis Inc., identified above, and UBS AG Stamford Branch (LaSalle Business Credit, LLC and UBS AG Stamford Branch hereinafter "Secured Creditors", the members resolve to approve the establishment of a pledge on 120,130,999 (one hundred and twenty million one hundred and thirty thousand nine hundred and ninety-nine) units of capital, representing the capital stock of the Company, owned by the member Novelis Inc., identified above, in favor of the Secured Creditors. The units of capital owned by the member Novelis Inc. shall remain pledged during the entire term of such agreements.

4.3 In virtue of the aforementioned decisions, the members resolve to amend the articles of incorporation of the Company to provide for the new pledge on the units of the Company's capital:

Article 5 *— The capital stock of the company is R$ 120,131,000.00 (one hundred and twenty million one hundred and thirty-one thousand* reais*) divided into 120,131,000 (one hundred and twenty*

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million one hundred and thirty-one thousand) equal units of capital, with a par value of R$ 1.00 (one real*) each, fully subscribed to and paid in, in current national currency and assets, and distributed between the members as follows:*

Member	*Units of Capital*	*Value (R$)*
NOVELIS INC.	*120,130,999*	*120,130,999.00*
ANTONIO TADEU COELHO NARDOCCI	*1*	*1.00*
Total	*120,131,000*	*120,131,000.00*

Paragraph One *— The liability of each member is, pursuant to the law, restricted to the value of his units of capital, but all are jointly and severally liable for paying in the capital stock.*

Paragraph Two *— The 120,130,999 (one hundred and twenty million one hundred and thirty thousand nine hundred and ninety-nine) units of capital, representing the capital stock of the Company, owned by the member Novelis Inc., identified above, are pledged to LaSalle Business Credit, LLC* [and] *UBS AG Stamford Branch, under the terms of the following agreements: (i) "Quota Pledge Agreement," entered into by and between the Company, Novelis Inc., and LaSalle Business Credit, LLC, on July 6, 2007; and (ii) "Quota Pledge Agreement," entered into by and between the Company, Novelis Inc., and UBS AG Stamford Branch, on July 6, 2007.*

Paragraph Three — *The 120,130,999 (one hundred and twenty million one hundred and thirty thousand nine hundred and ninety-nine) units of capital shall remain pledged during the term of the agreements cited in items (i) and (ii) of Paragraph Two of this Clause.*

Paragraph Four *— The units of capital pledged shall grant Novelis, Inc., identified above, sole and exclusively ownership of the right to vote and receive dividends on such units of capital.*

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Paragraph Five *— The exercise of the right to vote by Novelis Inc., identified above, shall be independent of the consent of LaSalle Business Credit, LLC, or of UBS AG Stamford Branch, identified above, in their capacities as secured creditors*."

5. Consolidation and Ratification of the Articles of Incorporation

5.1 The members decide to ratify all other clauses of the Company's articles of incorporation that have not been changed by this instrument.

5.2 In virtue of the changes decided on above, the members resolve to consolidate the Company's articles of incorporation, which shall come to have the following new wording:

"ARTICLES OF INCORPORATION

Chapter I — Company Name, Registered Office, Corporate Objective, and Term

Article 1 — The limited company established under the business name Novelis do Brasil Ltda. is governed by the provisions of these articles and by the provisions stipulated in Articles 1052 to 1087 of Law 10,406, of January 10, 2002, and supplementarily by the provisions stipulated in Articles 997 to 1,038 of the same Law 10,406, of January 10, 2002, and furthermore by Law 6,404, of December 15, 1976, as subsequently amended, having been transformed into a limited company by dint of the Regular and Special Meetings held on April 24, 1997.

Article 2 — The Company has its registered office and legal domicile in the Capital of the State of Sao Paulo, at Avenida das Nações Unidas, 12,551, 15th Floor, Torre Empresarial World Trade Center de São Paulo, Brooklin Novo, premises which are registered in the CNPJ/MF under No. 60.561.800/0001-03, where its administrative office operates and management of the Company is undertaken, and it may open subsidiaries, agencies, or representative offices in any location within the Country or abroad.

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Paragraph — In addition to its registered office described in the introduction, the Company has on this date subsidiaries or establishments at the following addresses, with the following registrations in the CNPJ/MF: Rua Felipe Camarão, 414, Santo André — SP — CNPJ/MF No. 60.561.800/0002—94; Avenida Américo René Gianetti, no number, Ouro Preto — MG — CNPJ/MF No. 60.561.800/0030—48; Fazenda Usina da Brecha, Guaraciaba — MG — CNPJ/MF No. 60.561.800/0032—00; Fazenda Usina do Salto, Ouro Preto — MG — CNPJ/MF No. 60.561.800/0033,90; Avenida Buriti, No. 1.087, Pindamonhangaba — SP — CNPJ/MF No. 60.561.800/0041—09; Estrada do Brito, no number, Ponte Nova — MG — CNPJ/MF No. 60.561.800/0051—72; Via das Torres, no number, Candeias — BA — CNPJ/MF No. 60.561.800/0086—00; Jazida Monjolo, no number, District of Padre Viegas, Mariana — MG — CNPJ/MF No. 60.561.800/0105—08; Jazida Fazenda do Lopes, no number, Caeté — MG — CNPJ/MF No. 60.561.800/0106—80; Mina Serra do Maquiné, no number, Caeté — MG — CNPJ/MF No. 60.561.800/0107—61; Fazenda Gandarela e Mato Grosso, no number, District of Conceição do Rio Acima, Santa Bárbara — MG — CNPJ/MF No. 60.561.800/0108—42; Depósito de Bauxita Acuruí, no number, 1tabirito — MG CNPJ/MF No. 60.561.800/0109—23; Mina Galo, no number, District of Cafarnaum, Faria Lemos — MG — CNPJ/MF No. 60.561.800/0110—67; Estrada de Miguel Rodrigues a Barroca, no number, Cachoeira do Brumado, Municipality of Mariana — MG — CNPJ/MF No. 60.561.800/0005—37; Fazenda da Vargem, Municipality of Santa Bárbara — MG —CNPJ/MF No. 60.561.800/0006—18; Fazenda Usina de Furquim, Municipality of Mariana — MG — CNPJ/MF No. 60.561.800/0008—80; Via Matoin, no number, Aratu, Municipality of Candeias — BA — CNPJ/MF No. 60.561.800/0088—64; Estrada de acesso à Serra de Antonio Pereira, Municipality of Ouro Preto — MG-CNPJ/ MF No. 60.561.800/0010—02, Av. do Contorno, No. 8.000, suite 702, Edifício Wall Street, Bairro Santo Agostinho, Belo Horizonte—MG — CNPJ/MF No. 60.561.800/0013—47; and Mina Lagoa Seca, Estrada de Acesso à Mina Lagoa Seca, no number, District of Acuruí, Municipality of Itabirito — MG — CNPJ/MF 60.561.800/0012—66.

Article 3 — The objective of the Company is: a) to produce, transform, purchase, sell, import, export, on its own behalf or on that of third parties, aluminum and any and all metals and materials, chemical, electrochemical, electrometallurgical or metallurgical products, as well as to engage in the industry and trade of such products, subproducts, and derivatives; b) to produce, manufacture, sell, import, export, on its own behalf or on that of third parties, packaging in general, of aluminum and other materials, associated or not,

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for any purposes; c) to manufacture, purchase, sell, import, and export materials, machines, equipment, tools, parts and accessories, on its own behalf or on that of third parties; d) to represent national or foreign companies; e) to participate in other companies as a member, shareholder or unit holder, undertaking all acts that are appropriate for the protection and development of such interests; f) to generate and distribute electricity for its own consumption or sale, in whole or in part, by building and maintaining plants and the facilities thereof, through a concession or authorization from the competent authorities; g) to promote and exploit, on its own behalf or that of third parties, business and research activities, and the mining of any and all substances, as well as the transportation, processing, refining, transformation, and any other industrial process to exploit the product resulting from mining activities.

Article 4 — The term of the Company is indeterminate, its activities having commenced on December 31, 1940.

Chapter II — Capital Stock and Units of Capital

Article 5 — The capital stock of the Company is R$ 120,131,000.00 (one hundred and twenty million one hundred and thirty-one thousand reais) divided into 120,131,000 (one hundred and twenty million one hundred and thirty-one thousand) equal units of capital, with a par value of R$ 1.00 (one real) each, fully subscribed to and paid in, in current national currency and assets, and distributed between the members as follows:

Member	Units of Capital	Value (R$)
NOVELIS INC.	120,130,999	120,130,999.00
ANTONIO TADEU COELHO NARDOCCI	1	1.00
Total	120,131,000	120,131,000.00

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Paragraph One — The liability of each member is, pursuant to the law, restricted to the value of his units of capital, but all are jointly and severally liable for paying in the capital stock.

Paragraph Two — The 120,130,999 (one hundred and twenty million one hundred and thirty thousand nine hundred and ninety-nine) units of capital, representing the capital stock of the Company, owned by the member Novelis Inc., identified above, are pledged to LaSalle Business Credit, LLC [and] UBS AG Stamford Branch, under the terms of the following agreements: (i) "Quota Pledge Agreement," entered into by and between the Company, Novelis Inc., and LaSalle Business Credit, LLC, on July 6, 2007; and (ii) "Quota Pledge Agreement," entered into by and between the Company, Novelis Inc., and UBS AG Stamford Branch, on July 6, 2007.

Paragraph Three — The 120,130,999 (one hundred and twenty million one hundred and thirty thousand nine hundred and ninety-nine) units of capital shall remain pledged during the term of the agreements cited in items (i) and (ii) of Paragraph Two of this Clause.

Paragraph Four — The units of capital pledged shall grant Novelis, Inc., identified above, sole and exclusive ownership of the right to vote and receive dividends on such units of capital.

Paragraph Five — The exercise of the right to vote by Novelis Inc., identified above, shall be independent of the consent of LaSalle Business Credit, LLC, or of UBS AG Stamford Branch, identified above, in their capacities as secured creditors.

Chapter III — Administration

Article 6 — The Company shall be administered and represented by a General Manager and a Treasurer, who shall be residents of the Country, unit holders or not, appointed by all of the members, or even by one or more agents that have been appointed for such purpose. The General Manager shall use the title of President. The Treasurer shall use the title of Director of Financial and Corporate Services.

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Paragraph One — Without prejudice to the terms of Article 9, the acts listed below shall be performed in the following order: (i) by the General Manager; (ii) by the Treasurer; (iii) by the agent or agents appointed in the form described in the introduction.

a) acquisition, disposal, or encumbrance of any movable or immovable property, as well as the rights related thereto;

b) appointment, hiring, contracting, suspension, and dismissal of employees and managers of the Company, determining functions, compensation, and other conditions under which their services shall be provided;

c) setting the general and administrative expenses of the Company;

d) opening, transacting in, and closing bank current accounts, regardless of the amount involved;

e) deciding on the use or investment of all the available funds owned by the Company;

f) taking out loans, granting any guaranties to creditors, real or personal, on the assets and rights of the Company;

g) issuing, signing, accepting, endorsing, and negotiating checks, bills of exchange, promissory notes, as well as other negotiable instruments of any nature;

h) obtaining, controlling, and disposing of raw materials and supplies of any nature, therefore being able to sign agreements, statements, letters of intent, and any other document necessary to perform those transactions;

i) signing contracts of any nature for the sale of the products produced by the Company, therefore being able to take all measures necessary for sales, in the

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domestic and foreign markets, signing any statements, forms, and other documents required for these transactions;

j) signing contracts of any nature for the acquisition of any products, therefore being able to take all measures necessary for purchases, in the domestic and foreign markets, signing any statements, forms, and other documents required for those transactions;

l) granting powers of attorney to attorneys to represent the Company judicially or extrajudicially, with powers to delegate, settle, and make agreements;

m) contracting, altering and canceling insurance that covers risks of any nature;

n) calling and presiding over General Meetings;

o) acquiring interests in the capital of other companies; and

p) other administrative acts, even if not expressly indicated above.

Paragraph Two — The General Manager, or the Treasurer, or the agent or agents appointed in the form described in the introduction, are responsible for representing the Company before any Federal, State, and Municipal public departments, Quasi-governmental Organizations , Boards of Trade, Unions of Employees and Associations of Employers, consumer protection bodies, public service companies and any other bodies of the Direct and Indirect Public Administration.

Paragraph Three — The elected Directors, at the time they take office, shall state, under the penalties of the law, that they have not been convicted of any crime whose penalty prohibits them from participating in the administration of the Company, under the terms stipulated in Article 1,011, paragraph 1 of the Civil Code.

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Paragraph Four — The powers of the Directors shall be determined by the owners of units of capital corresponding to at least 75% (seventy-five percent) of the capital stock.

Article 7— The term of office of the Directors shall be 1 (one) year, calculated from the date of the decision to appoint them, through the date of the next decision, reelection being possible.

Article 8 — Without prejudice to the terms of Article 9, the General Manager, the Treasurer, and the agents cited in Article 6 shall have joint and several powers to grant powers of attorney on behalf of the Company to third parties with specific powers to carry out the acts cited in Paragraphs One and Two of Article 6 above.

Paragraph One — Except for *ad judicia* powers of attorney, the powers of attorney cited in the *introduction* of this Article shall have an effective period of up to 1 (one) year.

Paragraph Two — The powers of attorney cited in the introduction of this Article may be delegated, with or without reservation of equal powers, to third parties, unless there is an express prohibition in that regard.

Article 9 — If a vacancy, absence, or impediment of the General Manager occurs, he will be replaced by the Treasurer. If a vacancy, absence, or impediment of the General Manager and the Treasury occurs, they will be replaced by the agent or agents cited in the introduction of Article 6, until the vacancy is filled, or the absence or impediment of any of the aforementioned ceases.

Article 10 — Any act by any of the directors, agents, or officials of the Company, which implies an obligation or liability alien to the corporate objective of the Company, is expressly prohibited, and shall be null and void with respect to it."

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Chapter IV — Meetings of Members

Article 11 — The Regular Meeting of Members shall be held annually, within the first four months after the end of the corporate fiscal year, in order to decide on the election of the directors, as well as to receive the reports of the directors, to decide on the balance sheet and statement of profit and loss, as well as to address other matters that are in the interest of the Company.

Article 12 — Corporate decisions shall be made at a Meeting of Members, the Minutes of Resolutions and Instruments Amending the Articles of Incorporation signed by the members participating in the Meeting shall only be valid for recording and other legal effects when signed by an amount of members participating in the Meeting that is sufficient for the decisions to be valid, but without prejudice to those members that wish to sign them, in the presence of two witnesses, the first copy must be recorded in the Public Registry of Business Companies and the second copy filed at the registered office of the Company together with the record of the registration, the following being expressly waived: (i) filing in the Commercial Registry of Minutes of Meetings not designed to produce effects to third parties; and (ii) the opening of a minutes book.

Paragraph One — The designation of nonmember directors when the capital stock is not fully paid in depends on a unanimous decision by the members.

Paragraph Two — The following depend on a decision of members holding units of capital corresponding to at least 75% (seventy-five percent) of the capital stock: (i) a change to the articles of incorporation; (ii) transformation, incorporation, merger, dissolution, liquidation, or cessation of the state of liquidation of the Company; (iii) the removal of a director; (iv) a decision on the compensation of the directors; (v) a request for bankruptcy or insolvency of the Company; (vi) the assignment of units of capital to third parties; (vii) approval of Management's reports; (viii) the appointment and removal of liquidators and the judgment of their reports; and (ix) the appointment of nonmember directors when the capital stock has been fully paid in, or the indication of member directors.

Paragraph Three — Votes on corporate decisions shall be counted in accordance with the number of each member's units.

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Article 13 — Meetings of Members shall be convened by the directors, or by members when the directors delay in convening for more than 60 (sixty) days.

Paragraph One — Notification for the Meeting shall be made through internal correspondence, email, or fax, which shall contain the place, day, and time of the Meeting, as well as the matters to be discussed, the publication of the notification in a newspaper being expressly waived.

Paragraph Two — The appearance of all members, or their statement that they are aware of the place, date, time, and agenda, shall render prior notification unnecessary.

Paragraph Three — A Meeting of Members may be dispensed with when all the members decide, in writing, on the matter that will be the subject of the Meeting.

Chapter V — Corporate Fiscal Year, Financial Statements, and Dividends

Article 14 — The corporate fiscal year commences on January 1 and ends on December 31 of the same year.

Article 15 — At the end of each fiscal year, the balance sheet and the cumulative statement of profit and loss, the statement of results for the fiscal year and the statement of the origins and applications of funds shall be prepared, based on the Company's corporate books and current law, submitting them thereafter for the approval of the Members.

Paragraph One — The net profit calculated in each fiscal year shall have the application determined for it by the Members. The distribution shall always be in proportion to the units held.

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Paragraph Two — At the end of each 6-month period the semiannual balance sheet shall be issued, and the members may decide on an interim dividend against the profit calculated on that balance sheet.

Paragraph Three — The members may also declare intermediary dividends against the accumulated profit or retained earnings on the last annual or semiannual balance sheet.

Paragraph Four — The Company may also issue a balance sheet in shorter periods, it being the responsibility of the members to decide to distribute the profit obtained on those balance sheets or incorporate them into the capital, pursuant to the terms of Paragraph One of Article 204 of Law No. 6,404, of December 15, 1976.

Chapter VI — General Provisions

Article 16 — The Company shall enter liquidation in the legal cases, and the method of liquidation and the liquidator shall be determined unanimously by the members in a Meeting of Members.

Article 17 — Under the terms stipulated in Art. 1,085 of Law 10,406 of January 10, 2002, a member may be excluded from the Company for Just Cause by a decision of the members holding units of capital representing the majority of the capital stock, in a Meeting of Members especially convened to that end, notifying the member to be excluded within a maximum period of 15 (fifteen) days before the date of the Meeting.

Paragraph One — For the effects of the stipulations of this Article, Just Cause shall be considered: (i) performing acts of undeniable gravity; (ii) jeopardizing the existence or continuity of the Company; (iii) performing a business activity that is in competition with that of the Company; (iv) associating with or establishing a company in the same line of business as the Company, but which does not belong to its economic group; (v) being dismissed for just cause by the Company, if an employee thereof; (vi) being convicted of a bankruptcy crime, prevarication, bribery or subornation, graft, embezzlement; or against the

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popular economy, against the national financial system, against antitrust rules, against consumer relations, the public authority, or property.

Article 18 — The death of any of the members shall not dissolve the Company, but rather the units of capital belonging to said member shall be returned to the capital of the majority shareholder which, based on the last balance sheet of the Company, shall pay the estate, and, third-party shareholders may be admitted at the discretion of the remaining members.

Article 19 — For all matters derived from this agreement, the forum of Sao Paulo, Capital, is hereafter chosen, to the exclusion of all others."

The parties sign this instrument in 3 (three) copies of equal content and form, in the presence of 2 (two) witnesses.

Sao Paulo, August 24, 2007.

/s/ Antonio Tadeu Coelho Nardocci
NOVELIS INC.
by: Antonio Tadeu Coelho Nardocci

/s/ Antonio Tadeu Coelho Nardocci
Antonio Tadeu Coelho Nardocci

Witnesses:

1. /s/ Carina Cunto Ruiz
Name: Carina Cunto Ruiz
RG: 29.144.663-2 SSP/SP

2. /s/ Roberta Acras da Silva
Name: Roberta Acras da Silva
RG: 35.237.759-8 SSP/SP

[stamp:] [seal] DEPARTMENT OF THE TREASURY
BOARD OF TRADE OF THE STATE
OF SAO PAULO
CERTIFICATE OF REGISTRATION
UNDER NUMBER
292.510/07-0

/s/ Silva F. Correa
SILVA F. CORREA
SECRETARY GENERAL

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Exhibit 3.24

AMENDMENT TO THE ARTICLES OF INCORPORATION
OF NOVELIS DO BRASIL LTDA.

CNPJ/MF No. 60.561.800/0001–03
NIRE 35.214.430.234

Hereby:

NOVELIS INC., a company duly organized and existing pursuant to the laws of Canada, with domicile at 3800 Royal Bank Plaza, South Tower, 200 Bay Street, P.O. Box 84, Toronto, Ontario, Canada, herein duly represented by its legal representative, Mr. ANTONIO TADEU COELHO NARDOCCI, identified below;

ANTONIO TADEU COELHO NARDOCCI, Brazilian, married, engineer, holder of R.G. Identification Card No. 6.822.521 — SSP/SP, registered in the Registry of Natural Persons of the Ministry of the Treasury (CPF/MF) under No. 012.050.108-23, resident of and domiciled in the Capital of the State of São Paulo, with offices at Avenida das Nações Unidas No. 12,551, 15º Andar, Torre Empresarial World Trade Center of São Paulo, Brooklin Novo, CEP 04578-000,

and members representing all of the capital stock of **NOVELIS DO BRASIL LTDA.**, a limited company, with corporate domicile in the Capital of the State of São Paulo, at Avenida das Nações Unidas No. 12,551, 15º Andar, Torre Empresarial World Trade Center of São Paulo, Brooklin Novo, CEP 04578-000, registered in the National Registry of Legal Persons of the Ministry of the Treasury (CNPJ/MF) under No. 60.561.800/0001-03, with its articles of incorporation filed with the Board of Trade of the State of São Paulo under NIRE 35.214.430.234, in a meeting on May 13, 1997, and previous corporate amendment recorded with the same body under No. 1303648/07-6, in a session on August 28, 2007, have jointly agreed and contracted to change the Articles of Incorporation of the Company pursuant to the following terms and conditions:

1. Affiliates or Establishments

1.1 Through the 1st Meeting of Members, held on 02/11/2008 and registered with the Board of Trade of the State of São Paulo under No. 0.268.415/08—0, in a session on April 24, 2008, the Company resolved to authorize the removal of the Administrative Office located at Av. do Contorno No. 8,000, Suite 702, Belo Horizonte — MG, registered in the CNPJ/MF under No. 60.561.800/0013—47 and with NIRE No. 3190167769-3.

1.2 Through the 2nd Meeting of Members, held on 08/04/2008 and registered with the Board of Trade of the State of São Paulo under No. 271.942/08—3, in a session on August 19, 2008, the Company approved the opening of an Administrative Office for the energy department, located at Avenida do Contorno No. 8,000, Suite 802, Bairro Santo Agostinho, in Belo Horizonte — MG.

1.3 Thus, the paragraph of Article 2nd of its Articles of Incorporation now read as follow:

Paragraph *— In addition to its headquarters address described in the caput, the Company has on this date affiliates or establishments at the following addresses, with the following registrations in the CNPJ/MF: Rua Felipe Camarão, 414, Santo André — SP — CNPJ/MF No. 60.561.800/0002—94; Avenida Américo René Gianetti, s/n, Ouro Preto — MF — CNPJ/MF No. 60.561.800/0030—48; Fazenda Usina da Brecha, Guaraciaba — MG — CNPJ/MF No. 60.561.800/0032—00; Fazenda Usina do Salto, Ouro Preto — MG — CNPJ/MF No. 60.561.800/0033—90; Avenida Buriti, no. 1.087, Pindamonhangaba — SP — CNPJ/MF No. 60.561.800/0041—09; Estrada do Brito, s/n, Ponte Nova — MG — CNPJ/MF No. 60.561.800/0051—72; Via das Torres, s/n, Candeias — BA — CNPJ/MF No. 60.561.800/ 0086—00; Jazida Monjolo, s/n Distrito de Padre Viegas, Mariana MG — CNPJ/MF No. 60.561.800/0105—08; Jazida Fazenda do Lopes, s/n, Caeté — MG — CNPJ/MF No. 60.561.800/0106—80; Mina Serra do Maquiné, s/n,Caeté — MG — CNPJ/MF No. 60.561.800/0107—61; Fazenda Gandarela e Mato Grosso,*

s/n, Distrito de Conceição do Rio Acima, Santa Bárbara — MG — CNPJ/MF No. 60.561.800/0108—42; Depósito de Bauxita Acuruí, s/n, Itabirito — MG CNPJ/ MF No. 60.561.800/0109—23; Mina Galo, s/n, Distrito de Cafarnaum, Faria Lemos — MG — CNPJ/MF No. 60.561.800/0110—67; Estrada de Miguel Rodrigues a Barroca, s/n Cachoeira do Brumado, Município de Mariana — MG — CNPJ/MF no. 60.561.800/0005—37; Fazenda da Vargem, Municipalidade de Santa Bárbara — MG — CNPJ/MF No. 60.561.800/0006—18; Fazenda Usina de Furquim, Município de Mariana — MG — CNPJ/MF No. 60.561.800/0008—80; Via Matoin, s/n, Aratu, Município de Candeias — BA — CNPJ/MF No. 60.561.800/0088—64; Estrada de acesso à Serra de Antonio Pereira, Município de Ouro Preto — MG — CNPJ/MF No. 60.561.800/0010—02; Mina Lagoa Seca, Estrada de Acesso à Mina Lagoa Seca, s/n, District of Acuruí, Município de Itabirito — MG — CNPJ/MF 60.561.800/0012—66 and Avenida do Contorno, No. 8.000, suite 802, Bairro Santo Agostinho, Belo Horizonte — MG.

2. Administration

2.1 The members resolve to change the management structure of the Company, with it now being administered and represented by a President of Corporate Affairs, an Executive President, and a Finance Director.

2.2 The Presidents shall use the name President, followed or not by the expression identifying their main area of action in the Company, respectively, President of Corporate Affairs and Executive President.

2.3 In virtue of the changes above, the members resolve to change Article 6th of the Company's Articles of Incorporation, which shall now have the following wording:

Article 6th *— The Company shall be administered and represented by at least one of the three Administrators, two of whom are Presidents and one a Finance Director, who shall be residents of the Country, shareholders or not, named by all members, or even by one or more agents named for such purpose. The Presidents shall use the title of President, followed or not by*

the expression identifying their main area of action in the Company, respectively, President of Corporate Affairs and Executive President.

***Paragraph First** — The acts listed below shall be performed in the following order: (i) by any of the Presidents; (ii) by the Finance Director; (iii) by the agent or agents named pursuant to the* caput.

a) acquisition, alienation, or encumbrance of any chattels or real properties, as well as rights related thereto;

b) naming, hiring, contracting, suspension, and dismissal of employees and managers of the Company, determining functions, compensation, and other conditions under which their services shall be provided;

c) setting the general and administrative expenditures of the Company;

d) opening, transacting in, and closing bank checking accounts, regardless of the amount involved;

e) deciding on the use or investment of all available funds owned by the Company;

f) taking out loans, granting any guaranties to creditors, real or personal, on the assets and rights of the Company;

g) issuing, signing, accepting, endorsing, and negotiating checks, bills of exchange, promissory notes, as well as other negotiable instruments of any nature;

h) obtaining, controlling, and disposing of raw materials and supplies of any nature, being thus authorized to sign agreements, statements, letters of intent, and any other document necessary to perform those transactions;

i) signing contracts of any nature for the sale of the products produced by the Company, being thus authorized to take all measures necessary for sales, in domestic and foreign markets, signing any statements, forms, and/or other documents required for such transactions;

j) signing contracts of any nature for the acquisition of any products, being thus authorized to take all measures necessary for purchases, in domestic and foreign markets, signing any statements, forms, and/or other documents required for those transactions;

l) granting powers of attorney to attorneys, to represent the Company judicially or extrajudicially, with powers to subrogate, settle, and make agreements;

m) contracting, altering, and canceling insurance which covers risks of any nature;

n) convening and presiding over General Meetings;

o) acquiring interests in the capital of other companies; and

p) other acts of administration, even if not expressly indicated above.

Paragraph Second *— Any of the Presidents, or the Finance Director, or the agent or agents named pursuant to the* caput*, are responsible for representing the Company before any Federal, State, and Municipal public departments, Autarchies, Boards of Trade, Employee Unions and Employer Associations, consumer protection bodies, public service companies and any other bodies of Direct and Indirect Public Administration.*

Paragraph Third *— The Administrators elected, upon taking office, shall declare, under penalty of law, that they have not been convicted of any crime whose penalty prohibits the exercise of the administration of the Company, under the terms stipulated in Article 1,011, paragraph 1st of the Civil Code.*

Paragraph Fourth *— The powers of the Administrators shall be determined by the owners of shares corresponding to at least 75% (seventy-five percent) of the capital stock.*

2.4 The members further resolve to change Articles 8th and 9th of the Company's Articles of Incorporation, which shall now apply with the following wording:

Article 8th *— Without prejudice to the precepts of Article 9th, the Presidents, the Finance Director, and the agents cited in Article 6th shall have joint and several powers of attorney to grant powers of attorney on behalf of the Company to third parties, with specific powers to execute the acts cited in Paragraphs First and Second of Article 6th, above.*

Paragraph First *— Except for* "ad judicia" *powers of attorney, the powers of attorney cited in the* caput *of this Article shall have an effective period of up to 1 (one) year.*

Paragraph Second *— The powers of attorney cited in the* caput *of this Article may be subrogated, with or without reservation of equal powers of attorney, to third parties, unless there is an express prohibition thereof.*

Article 9th *— If a vacancy, absence, or impediment of one of the Presidents occurs, he will be substituted by the other President. If a vacancy, absence, or impediment of the two Presidents occurs, they shall be substituted by the Finance Director. If a vacancy, absence, or impediment of the two Presidents and the Finance Director occurs, they will be substituted by the agent or agents cited in the* caput *of Article 6th, until the vacancy is filled, or the absence or impediment of any of the aforementioned ceases.*

5. Consolidation and Ratification of the Articles of Incorporation

5.1 The members resolve to ratify all the other clauses of the Company's articles of incorporation, which remain unaltered by this instrument.

5.2 In virtue of the aforementioned alterations, the members resolve to consolidate the Company's articles of incorporation, which shall come to have the following new wording:

"ARTICLES OF INCORPORATION

Chapter I — Company Name, Domicile, Corporate Objective, and Duration

Article 1st — The limited company established under the business name Novelis do Brasil Ltda. is governed by the precepts of these articles and by the precepts stipulated in Articles 1042 to 1087 of Law 10,406, of January 10, 2002, and supplementarily by the precepts stipulated in Articles 997 to 1,038 of the same Law 10,406, of January 10, 2002, and further by Law 6,404, of December 15, 1976, as subsequently amended, having been transformed into a limited company by virtue of the Regular and Special Meetings held on April 24, 1997.

Article 2nd — The Company has its domicile and forum in the Capital of the State of São Paulo, at Avenida das Nações Unidas, 12,551, 15º Andar, Torre Empresarial World Trade Center de São Paulo, Brooklin Novo, which premises are registered in the CNPJ/MF under NO. 60.561.800/0001—03, where its administrative office operates and where management of the Company is undertaken, and it may open affiliates, agencies, or representative offices in any location within the Country or abroad.

Paragraph — Beyond its headquarters address described in the caput, the Company has on this date affiliates or establishments at the following addresses, with the following registrations in the CNPJ/MF: Rua Felipe Camarão, 414, Santo André — SP — CNPJ/MF No. 60.561.800/0002—94; Avenida Américo René Gianetti, s/n, Ouro Preto — MF — CNPJ/MF No. 60.561.800/0030—48; Fazenda Usina da Brecha, Guaraciaba — MG — CNPJ/MF No. 60.561.800/0032—00; Fazenda Usina do Salto, Ouro Preto —

MG — CNPJ/MF No. 60.561.800/0033—90; Avenida Buriti, no 1.087, Pindamonhangaba — SP — CNPJ/MF No. 60.561.800/0041—09; Estrada do Brito, s/n, Ponte Nova — MG — CNPJ/MF No. 60.561.800/0051—72; Via das Torres, s/n, Candeias — BA — CNPJ/MF No. 60.561.800/ 0086—00; Jazida Monjolo, s/n, Distrito de Padre Viegas, Mariana MG — CNPJ/MF No. 60.561.800/0105—08; Jazida Fazenda do Lopes, s/n, Caeté — MG — CNPJ/MF No. 60.561.800/0106—80; Mina Serra do Maquiné, s/n, Caeté — MG — CNPJ/MF No. 60.561.800/0107—61; Fazenda Gandarela e Mato Grosso, s/n, District of Conceição do Rio Acima, Santa Bárbara — MG — CNPJ/MF No. 60.561.800/0108—42; Depósito de Bauxita Acuruí, s/n, Itabirito — MG CNPJ/ MF No. 60.561.800/0109—23; Mina Galo, s/n Distrito de Cafarnaum, Faria Lemos — MG — CNPJ/MF No. 60.561.800/0110—67; Estrada de Miguel Rodrigues to Barroca, s/n, Cachoeira do Brumado, Município de Mariana — MG — CNPJ/MF no. 60.561.800/0005—37; Fazenda da Vargem, Município de Santa Bárbara — MG — CNPJ/MF No. 60.561.800/0006—18; Fazenda Usina de Furquim, Município de Mariana — MG — CNPJ/MF No. 60.561.800/0008—80; Via Matoin, s/n , Aratu, Município de Candeias — BA — CNPJ/MF No. 60.561.800/0088—64; Estrada de acesso à Serra de Antonio Pereira, Município de Ouro Preto — MG — CNPJ/MF No. 60.561.800/0010—02; Mina Lagoa Seca, Estrada de Acesso à Mina Lagoa Seca, s/n , Distrito de Acuruí, Município de Itabirito — MG — CNPJ/MF 60.561.800/0012—66 and Avenida do Contorno, No. 8.000, suite 802, Bairro Santo Agostinho, Belo Horizonte — MG.

Article 3rd — The objective of the Company is: a) to produce, transform, purchase, sell, import, and export, on its own behalf or on that of third parties, aluminum and any and all metals and materials, chemical, electrochemical, electrometallurgical or metallurgical products, as well as to engage in the industry and trade of such products, subproducts, and derivatives; b) to produce, manufacture, sell, import, export, on its own behalf or in that of third parties, packaging in general, of aluminum and other materials, associated or not, for any purposes; c) to manufacture, purchase, sell, import, and export materials, machines, equipment, tools, pieces and accessories, on its own behalf or that of third parties; d) to represent national or foreign companies; e) to participate in other companies as a member, shareholder, or unit holder, undertaking all the acts convenient for the

protection and development of such participations; f) to generate and distribute electricity for its own consumption or sale, in whole or in part, by building and maintaining plants and the facilities thereof, through a concession or authorization from the competent authorities; g) to promote and exploit, on its own behalf or that of third parties, the business and research activities and mining of any and all substances, as well as the transportation, processing, refining, transformation, and any other industrial process to profit from products resulting from mining activities.

Article 4th— The term of duration of the Company is indeterminate, its activities having commenced on December 31, 1940.

Chapter II — Capital Stock and Units of Capital

Article 5th — The capital stock of the Company is R$ 120,131,000.00 (one hundred and twenty million, one hundred and thirty-one thousand reais) divided into 120,131,000 (one hundred and twenty million one hundred and thirty-one thousand) equal units of capital, with a par value of R$ 1.00 (one real) each, fully subscribed to and integrated, in national currency and assets, and distributed between the members as follows:

Member	Units of Capital	Value (R$)
NOVELIS INC.	120,130,999	120,130,999.00
ANTONIO TADEU COELHO NARDOCCI	1	1.00
Total	120,131,000	120,131,000.00

Paragraph First — The liability of each member is, pursuant to the law, restricted to the value of his units of capital, but all are jointly and severally liable for paying for paying in for the capital stock.

Paragraph Second — The 120,130,999 (one hundred and twenty million, one hundred and thirty thousand, nine hundred and ninety-nine) units of capital, representing the capital stock of the Company, owned by the member Novelis Inc., identified above, are pledged to LaSalle Business Credit, LLC and UBS AG Stamford Branch, under the terms of the following agreements: (i) "Quota Pledge Agreement," entered into by and between the Company, Novelis Inc., and LaSalle Business Credit, LLC, on July 6, 2007; and (ii) "Quota Pledge Agreement," entered into by and between the Company, Novelis Inc., and UBS AG Stamford Branch, on July 6, 2007.

Paragraph Third — The 120,130,999 (one hundred and twenty million, one hundred and thirty thousand, nine hundred and ninety-nine) units of capital shall remain pledged during the term of the agreements cited in items (i) and (ii) of Paragraph Second of this Clause.

Paragraph Fourth — The units of capital pledged shall grant Novelis, Inc., identified above, sole and exclusively ownership of the right to vote and receive dividends on such units of capital.

Paragraph Fifth — The exercise of the right to vote by Novelis Inc., identified above, shall be independent of the consent of LaSalle Business Credit, LLC, or of UBS AG Stamford Branch, identified above, in their capacities as secured creditors.

Chapter III — Administration

Article 6th — The Company shall be administered and represented by at least one of the three Administrators, two of whom are Presidents and one Finance Director, who shall be residents of the Country, shareholders or not, named by all members, or even by one or more agents named for such purpose. The Presidents shall use the title of President, followed or not by the expression identifying their main area of action in the Company, respectively, President of Corporate Affairs and Executive President.

Paragraph First — The acts listed below shall be performed in the following order: (i) by any of the Presidents; (ii) by the Finance Director; (iii) by the agent or agents named pursuant to the caput.

a) acquisition, alienation, or encumbrance of any chattels or real properties, as well as rights related thereto;

b) naming, hiring, contracting, suspension, and dismissal of employees and managers of the Company, determining functions, compensation, and other conditions under which their services shall be provided;

c) setting the general and administrative expenditures of the Company;

d) opening, transacting in, and closing bank checking accounts, regardless of the amount involved;

e) deciding on the use or investment of all available funds owned by the Company;

f) taking out loans, granting any guaranties to creditors, real or personal, on the assets and rights of the Company;

g) issuing, signing, accepting, endorsing, and negotiating checks, bills of exchange, promissory notes, as well as other negotiable instruments of any nature;

h) obtaining, controlling, and disposing of raw materials and supplies of any nature, being thus authorized to sign agreements, statements, letters of intent, and any other document necessary to perform those transactions;

i) signing contracts of any nature for the sale of the products produced by the Company, being thus authorized to take all measures necessary for sales, in domestic and foreign markets, signing any statements, forms, and/or other documents required for such transactions;

j) signing contracts of any nature for the acquisition of any products, being thus authorized to take all measures necessary for purchases, in domestic and foreign markets, signing any statements, forms, and/or other documents required for those transactions;

l) granting powers of attorney to attorneys, to represent the Company judicially or extrajudicially, with powers to subrogate, settle, and make agreements;

m) contracting, altering, and canceling insurance which covers risks of any nature;

n) convening and presiding over General Meetings;

o) acquiring interests in the capital of other companies; and

p) other acts of administration, even if not expressly indicated above.

Paragraph Second — Any of the Presidents, or the Finance Director, or the agent or agents named pursuant to the caput, are responsible for representing the Company before any Federal, State, and Municipal public departments, Autarchies, Boards of Trade, Employee Unions and Employer Associations, consumer protection bodies, public service companies and any other bodies of Direct and Indirect Public Administration.

Paragraph Third — The Administrators elected, upon taking office, shall declare, under penalty of law, that they have not been convicted of any crime whose penalty prohibits the exercise of the administration of the Company, under the terms stipulated in Article 1,011, paragraph 1st of the Civil Code.

Paragraph Fourth — The powers of the Administrators shall be determined by the owners of units of capital corresponding to at least 75% (seventy-five percent) of the capital stock.

Article 7th — The term of office of Administrators shall be 1 (one) year, calculated from the date of the decision to name them, through the date of the next decision, reelection being possible.

Article 8th — Without prejudice to the precepts of Article 9th, the Presidents, the Finance Director, and the agents cited in Article 6th shall have joint and several powers of attorney to grant powers of attorney on behalf of the Company to third parties, with specific powers of attorney to execute the acts cited in Paragraphs First and Second of Article 6th, above.

Paragraph First — Except for "ad judicia" powers of attorney, the powers of attorney cited in the *caput* of this Article shall have an effective period of up to 1 (one) year.

Paragraph Second — The powers of attorney cited in the *caput* of this Article may be subrogated, with or without reservation of equal powers of attorney, to third parties, unless there is an express prohibition thereof.

Article 9th — If a vacancy, absence, or impediment of one of the Presidents occurs, he will be substituted by the other President. If a vacancy, absence, or impediment of the two Presidents occurs, they shall be substituted by the Finance Director. If a vacancy, absence, or impediment of the two Presidents and the Finance Director occurs, they will be substituted by the agent or agents cited in the *caput* of Article 6th, until the vacancy is filled, the absence or impediment of any of the aforementioned ceases.

Article 10 — Any act by any of the administrators, agents, or officials of the Company, which implies an obligation or liability alien to the corporate objective of the Company, is expressly prohibited, and shall be null and void.

Chapter IV — Meetings of Members

Article 11 — The Regular Meeting of Members shall be held annually, within the first four months after the end of the corporate fiscal year, in order to decide on the election of the administrators, as well as to receive the reports from the administrators, to decide on the balance sheet and profit and loss statement, as well as to deal with other matters in the interest of the Company.

Article 12 — Corporate decisions shall be made in a Meeting of Members, the Minutes of Resolutions and Instruments Amending the Articles of Incorporation signed by the members participating in the Meeting being valid for recording and other legal effects when signed by such members as participate in the Meeting sufficient for the validity of the decisions, but without prejudice to such as wish to sign them, in the presence of two witnesses, the first copy being recorded in the Public Registry of Business Companies and the second copy filed at the domicile of the Company together with the record of the filing, the following being expressly waived: (i) filing in the Commercial Registry of Minutes of Meetings not designed to produce effects to third parties; and (ii) the opening of a minutes book.

Paragraph First — The designation of nonmember administrators when the capital stock is not fully paid in depends on a unanimous decision by the members.

Paragraph Second — The following depend on a decision of members holding units of capital corresponding to at least 75% (seventy-five percent) of the capital stock: (i) a change to the articles of incorporation; (ii) transformation, incorporation, merger, dissolution, liquidation, or cessation of the state of liquidation of the Company; (iii) the removal of the administrator; (iv) the decision on the compensation of the administrators; (v) a request for bankruptcy or insolvency of the Company; (vi) the assignment of units of capital to third parties; (vii) approval of Management's reports; (viii) the naming and removal of liquidators and the judgment of their reports; and (ix) the naming of nonmember administrator when the capital stock is fully paid in, or the indication of member administrators.

Paragraph Third — Votes in corporate decisions shall be counted in accordance with the number of each member's shares.

Article 13 — Meetings of Members shall be convened by the administrators, or by members when the administrators delay in convening for more than 60 (sixty) days.

Paragraph First — Notification for the Meeting shall be made through internal correspondence, email, or fax, which shall include the place, day, and time of the Meeting, as well as the matters to be discussed, the publication of the notification in a newspaper being expressly waived.

Paragraph Second — The attendance of all members, or their statement that they are aware of the place, date, time, and order of the day, shall obviate prior notification.

Paragraph Third — A Meeting of Members becomes dispensable when all the members decide, in writing, on the matter which will be the subject of the Meeting.

Chapter V — Corporate Fiscal Year, Financial Statements, and Dividends

Article 14 — The corporate fiscal year commences on January 1 and ends on December 31 of the same year.

Article 15 — At the end of each fiscal year, the balance sheet and the accumulated profit and loss statement, the statement of results for the fiscal year and the statement of the origins and applications of funds shall be prepared, based on the Company's corporate books and current law, submitting them thereafter for approval by the Members.

Paragraph First — The net profit calculated in each fiscal year shall have the application determined by the Members. The distribution shall always be in proportion to shares held.

Paragraph Second — At the end of each 6-month period the semiannual balance sheet shall be issued, and the members may decide on an interim dividend against the profit calculated on that balance sheet.

Paragraph Third — The members may also declare intermediary dividends against the accumulated profit or retained earnings on the last annual or semiannual balance sheet.

Paragraph Fourth — The Company may also issue a balance sheet in shorter periods, it being incumbent upon the members to decide on the distribution of the profit obtained on those balance sheets or incorporate them into the capital, pursuant to the percepts of Paragraph First of Article 204 of Law No. 6,404, of December 15, 1976.

Chapter VI — General Precepts

Article 16 — The Company shall enter into liquidation in legal cases, and the method of liquidation and the liquidator shall be determined unanimously by the members in a Meeting of Members.

Article 17 — Under the terms stipulated in Art. 1,085 of Law 10,406 of January 10, 2002, a member may be terminated from the Company for Just Cause through a decision by members holding units of capital representing the majority of the capital stock, in a Meeting of Members especially convened to that end, notifying the member to be terminated within a maximum period of 15 (fifteen) days before the date of the Meeting.

Paragraph First — For the effects of the stipulations of this Article, Just Cause shall be defined as: (i) performing acts of undeniable gravity; (ii) jeopardizing the existence or continuity of the Company; (iii) performing a business activity competing with the Company; (iv) associating with or establishing a company in the same line of business as the Company, but which does not belong to its economic group; (v) being dismissed for just cause by the Company, if an employee thereof; (vi) being convicted of a bankruptcy crime, prevarication, bribery or subornation, graft, embezzlement; or against the

popular economy, against the national financial system, against antitrust law, against consumer relations, public authority, or property.

Article 18 — The death of any member shall not dissolve the Company, but rather the units of capital appertaining to him shall return to the capital of the majority shareholder which, based on the last balance sheet of the Company, shall pay the estate, and, third-party shareholders may be admitted at the discretion of the remaining members.

Article 19 — For all matters derived from this agreement, the forum of São Paulo, Capital, is hereafter chosen, to the exclusion of all others.

The parties sign this instrument in 3 (three) copies of the same tenor and form, in the presence of 2 (two) witnesses.

Sao Paulo, August 20, 2008.

/s/ Antonio Tadeu Coelho Nardocci
NOVELIS INC.
by: Antonio Tadeu Coelho Nardocci

/s/ Antonio Tadeu Coelho Nardocci
Antonio Tadeu Coelho Nardocci

Witnesses:

1. /s/ Carina Cunto Ruiz
Name: Carina Cunto Ruiz
RG: 29.144.663-2 SSP/SP

2. /s/ Lazara Damaris Baltazar Carvalho
Name: Lazara Damaris Baltazar Carvalho
RG: 17.539.112-9 SSP/SP

[stamp:] [seal]

DEPARTMENT OF THE TREASURY
BOARD OF TRADE OF THE STATE
OF SAO PAULO
CERTIFICATE OF RECORD
UNDER NUMBER
317.164/08-9

/s/ Silva F. Correa
SILVA F. CORREA
SECRETARY GENERAL

JUCESP

Exhibit 3.25

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[Coat of arms] JUCESP PROTOCOL
0.807.074/08-1

[SINGULAR]

AMENDMENT TO THE CHARTER
OF NOVELIS DO BRASIL LTDA.

CNPJ/MF no. 60.561.800/0001-03
NIRE 35.214.430.234

Pursuant to this private instrument,

NOVELIS INC., a company duly organized and existing in accordance with the laws of Canada, with main offices at 3800 Royal Bank Plaza, South Tower, 200 Bay Street, P.O. Box 84, Toronto, Ontario, Canada, duly represented hereunder by its legal representative, Mr. ANTONIO TADEU COELHO NARDOCCI, described below; and

ANTONIO TADEU COELHO NARDOCCI, Brazilian, married, an engineer, bearer of Identity Card RG no. 6.822.521 — SSP/SP, listed in the Register of Physical Persons of the Ministry of Treasury (CPF/MF) under no. 012.050.108-23, residing and domiciled in the State Capital of São Paulo, with an office at Avenida das Nações Unidas no. 12.551, 15º andar, Torre Empresarial World Trade Center de São Paulo, Brooklin Novo, CEP 04578-000,

Shareholders representing the entire company capital of NOVELIS DO BRASIL LTDA., a limited company with main offices in the State Capital City of São Paulo, at Avenida das Nações Unidas, no. 12.551, 15º andar, Torre Empresarial World Trade Center of São Paulo, Brooklin Novo, CEP 04578-000, listed in the National Register of Legal Persons of the Ministry of Treasury (CNPJ/MF) under no. 60.561.800/0001-03, whose corporate charter was filed with the Commercial Board of the State of São Paulo under NIRE 35.214.430.234 at a session on May 13, 1997, the most recent amendment to the charter having been recorded with that same agency under no. 1303648/07-6 at its session of August 28, 2007, specifically agreed to amend the Company Charter in accordance with the following terms and conditions:

1. Quota Pledge

1.1 Substitution of the pledge creditor. In accordance with the provisions of the contract known as *"First Amendment to Credit Agreement and Agent's Resignation and Appointment",* entered on September 18, 2008, between the Company, Novelis Inc., Novelis Corporation, Novelis Europe Holding Limited, Novelis Services Limited, Novelis Switzerland SA, Novelis Technology AG, Novelis Deutschland GmbH, LaSalle Business Credit, LLC and Bank of America, N.A., among others; and the *"First Amendment to the Quota Pledge Agreement"* entered on September 18, 2008 between the Company, Novelis Inc., LaSalle Business Credit, LLC and Bank of America, N.A., the shareholders hereby resolve to approve the substitution of the pledge creditor La Salle Business Credit, LLC by Bank of America, N.A., with reference to the pledge pertaining to 120,130,999 (one hundred twenty million, one hundred thirty thousand, nine hundred ninety-nine) quota shares representing the capital of the company held by the shareholder Novelis Inc., described above. The quota shares held by the shareholder Novelis Inc. shall continue to be pledged during the life of these contracts.

1.2 Pursuant to the above-cited decisions, the shareholders hereby resolve to amend the charter of the Company in order to provide for the new pledge on the quota shares of the Company:

Article 5 — *The capital of the Company is R$120.131.000,00 (one hundred twenty million, one hundred thirty-one thousand reals), divided into 120,131,000 (one hundred twenty million, one hundred thirty-one thousand) equal shares with a face value of R$1,00 (one real) each, fully subscribed and paid up, in Brazilian currency and in property, and distributed among the shareholders in the following manner:*

Shareholder	*Number of quota shares*	*Amount (R$)*
NOVELIS INC.	*120,130,999*	*120.130.999,00*
ANTONIO TADEU COELHO NARDOCCI	*1*	*1.00*
Total	*120,131.000*	*120.131.000,00*

Paragraph One — *The responsibility of each shareholder is, pursuant to law, limited to the value of his/her shares, but all are jointly responsible for fully paying up the capital of the company.*

Paragraph Two — *The 120,130,999 (one hundred twenty million, one hundred thirty thousand, nine hundred ninety-nine) shares representing the capital of the Company and held by the shareholder Novelis Inc., described above, are pledged in favor of Bank of America, N.A. and UBS AG Stamford Branch, pursuant to the terms of the following contracts: (i) "First Amendment to Credit Agreement and Agent's Resignation and Appointment", entered on September 18, 2008, and "First Amendment to the Quota Pledge Agreement", entered on September 18, 2008; and (ii) "Quota Pledge Agreement", entered on July 6, 2007.*

Paragraph Three — *The 120,130,999 (one hundred twenty million one hundred thirty thousand nine hundred ninety-nine) shares shall continue to be pledged during the terms of the contracts mentioned in items (i) and (ii) of Paragraph Two of this Clause.*

Paragraph Four — *The pledged shares shall confer upon Novelis Inc., described above, sole and exclusive entitlement to the right to vote and to receive dividends on these shares.*

Paragraph Five — *The exercise by Novelis Inc., described above, of its voting rights shall not require the consent of Bank of America N.A. or of UBS AG Stamford Branch, described above, as pledge creditors.*

2. Consolidation and Ratification of the Corporate Charter

2.1. The shareholders hereby decide to ratify all the remaining clauses of the company charter not changed by this instrument.

2.2. By virtue of the changes determined above, the shareholders herewith resolve to consolidate the charter of the Company, which shall be worded as follows:

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CORPORATE CHARTER

Chapter I — Corporate Name, Main Office, Purpose and Term of the Company

Article 1 — The limited company established under the corporate name Novelis do Brasil Ltda., is governed by the provisions of this contract and by the provisions of Articles 1052 to 1087 of Law 10.406 of January 10, 2002, and supplementarily by the provisions of Articles 997 to 1.038 of that same Law 10.406 of January 10, 2002 and also by Law 6.404 of December 15, 1976 and subsequent amendments, having been transformed into a limited company pursuant to the Regular and Special Shareholders' Meetings held on April 24, 1997.

Article 2 — The company's main office and place of business in the State Capital City of São Paulo at Avenida das Nações Unidas no. 12.551, 15º andar, Torre Empresarial World Trade Center of São Paulo, Brooklin Novo, which premises are listed in the CNPJ/MF under no. 60.561.800/0001-03, where the Company has its administrative offices and where its management team is based, with the right to open subsidiaries, branches or representative offices anywhere in the Country or abroad.

Sole Paragraph — In addition to its principal place of business described above, the Company has, as of this date, subsidiaries or facilities at the following addresses, with the corresponding listings in the CNPJ/MF: Rua Felipe Camarão, 414, Santo André — SP — CNPJ/MF no. 60.561.800/0002-94; Avenida Américo René Gianetti, s/n, Ouro Preto — MG — CNPJ/MF no. 60-561-800/0030-48; Fazenda Usina da Brecha, Guaraciaba — MG — CNPJ/MF no. 60-561-800/0032-00; Fazenda Usina do Salto, Ouro Preto — MG — CNPJ/MF no. 60.561.800/0033-90; Avenida Buriti no. 1.087, Pindamonhangaba — SP — CNPJ/MF no. 60.561.800/0041-09; Estrada do Brito s/n, Ponte Nova — MG — CNPJ/MF no. 60.561.800/0051-72; Via das Torres, s/n, Candeias — BA — CNPJ/MF no. 60.561.800/0086-00; Jazida Monjolo, s/n, District of Padre Viegas, Mariana — MG — CNPJ/MF no. 60.561.800/0105-08; Jazida Fazenda do Lopes, s/n, Caeté — MG — CNPJ/MF no. 60.561.800/0106-80; Mina Serra do Maquiné, s/n, Caeté — MG — CNPJ/MF no. 60.561.800/0107-61; Fazenda Garandela e Mato Grosso, s/n, District of Conceição do Rio Acima, Santa Bárbara — MG — CNPJ/MF no. 60.561.800/0108-42; Depósito de Bauxita Acuruí, s/n, Itabirito — MG — CNPJ/MF no. 60.561.800/0109-23; Mina Galo, s/n, Cafarnaum District, Faria Lemos — MG — CNPJ/MF no. 60.561.800/0110-67; Estrada de Miguel Rodrigues a Barroca, s/n, Cachoeira do Brumado, Municipality of Mariana — MG — CNPJ/MF no. 60.561.800/0005-37; Fazenda da Vargem, Municipality of Santa Bárbara — MG — CNPJ/MF no. 60.561.800/0006-18; Fazenda Usina de Furquim, Municipality of Mariana— MG — CNPJ/MF no. 60.561.800/0008-80; Via Matoin, s/n, Aratu, Municipality of Candeias — BA — CNPJ/MF no. 60.561.800/0088-64; Estrada de Acesso à Serra de Antonio Pereira, Municipality of Ouro Preto — MG — CNPJ/MF no. 60.561.800/0010-02; Mina Lagoa Seca, Estrada de Acesso à Mina Lagoa Seca, s/n, District of Acuruí, Municipality of Itabirito-MG — CNPJ/MF 60.561.800/0012-66 and Avenida do Contorno no. 8.000, Sala 802, Bairro Santo Agostinho, Belo Horizonte — MG.

Article 3 — The purpose of the Company is: a) to produce, transform, buy, sell, import, export, for its own account or for third parties, aluminum and any and all other metals and materials, chemicals, electrochemical, electro-metallurgical or metallurgical products, as well to engage in the industry and commerce of those products, by-products or derivatives; b) to produce, manufacture, sell, import, export, for its own account or for third parties, packaging in general made of aluminum and other materials, in combination or not, for any purposes whatsoever; c) to manufacture, sell, buy, import or export materials, machines, equipment, tools, parts and accessories, for its own account or for third parties; d) to represent Brazilian or foreign companies; e) to take stakes in other companies as a shareholder, partner or investor, engaging in all actions appropriate for the protection and development of these stakes; f) to generate and distribute electric power for its own consumption or for marketing, in whole or in part, building and maintaining factories and their facilities, through concessions or authorizations from the appropriate authorities; g) to promote and exploit, for its own account or for third parties, the business and the activity of research and mining of any and all substances, as well as the transportation, treatment, processing, transformation and any other industrial process to benefit from the product of the mining activity.

Article 4 — The term of the Company is indefinite; it commenced its activities on December 31, 1940.

CHAPTER II — Capital and Shares

Article 5 — The capital of the Company is R$120.131.000,00 (one hundred twenty million and one hundred thirty-one thousand reals), divided into 120,131,000 (one hundred twenty million, one hundred thirty-one thousand) equal shares with a face value of R$1,00 (one real) each, fully subscribed and paid-up, in Brazilian currency and in property, and distributed among the shareholders in the following manner:

Shareholder	Number of shares	Amount (R$)
NOVELIS INC.	120,130,999	120.130.999,00
ANTONIO TADEU COELHO NARDOCCI	1	1.00
Total	120,131.000	120.131.000,00

Paragraph One — The responsibility of each shareholder is, pursuant to law, limited to the value of his/her shares, but all are jointly responsible for fully paying up the capital of the company.

Paragraph Two — The 120,130,999 (one hundred twenty million, one hundred thirty thousand, nine hundred ninety-nine) shares representing the capital of the Company and held by the shareholder Novelis Inc., qualified above, are pledged in favor of Bank of America, N.A. and UBS AG Stamford Branch, pursuant to the terms of the following contracts: (i) "First Amendment to Credit Agreement and Agent's Resignation and Appointment", entered on September 18, 2008, and "First Amendment to the Quota Pledge Agreement", entered on September 18, 2008; and (ii) "Quota Pledge Agreement", entered on July 6, 2007.

Paragraph Three — The 120,130,999 (one hundred twenty million, one hundred thirty thousand nine hundred ninety-nine) shares shall continue to be pledged during the terms of the contracts mentioned in items (i) and (ii) of Paragraph Two of this Clause.

Paragraph Four — The pledged shares shall confer upon Novelis Inc., described above, sole and exclusive entitlement to the right to vote and to receive dividends on these shares.

Paragraph Five — The exercise by Novelis Inc., described above, of its voting rights shall not require the consent of Bank of America N.A. or of UBS AG Stamford Branch, described above, in their capacity as pledge creditors.

Chapter III — Administration

Article 6 — The Company shall be administered and represented by at least one of the three Members of the Board of Directors, two being Presidents and one the Financial Director, who shall be residents of Brazil, but need not be shareholders, designated by all the shareholders, or by one or more proxies designated for that purpose. The Presidents shall use the name President, followed or not by a term identifying his/her principal area of activity within the Company as the President for Corporate Affairs and the Executive President, respectively.

Paragraph One — The activities listed below shall be performed in the following order: (i) by each of the two Presidents, (ii) by Finance Director, (iii) by the proxy or proxies named as indicated above.

a) acquiring, transferring title or encumbering any tangible or intangible property, as well as rights relative to same;

b) appointing, admitting, hiring, suspending and dismissing employees and agents of the Company, determining their duties, compensation and other conditions for performing services;

c) determining the general and administrative expenses of the Company;

d) opening, moving, and closing bank accounts, regardless of the amount involved;

e) deciding on the utilization or investment of all the available funds belonging to the Company;

f) contracting loans, conferring upon creditors any guarantees, whether real or fidejussory, on the property and rights of the Company;

g) issuing, signing, accepting, endorsing and negotiating checks, bills of exchange, promissory notes, as well as other negotiable instruments of any kind;

h) obtaining, controlling and disposing of raw materials and supplies of all kinds, with the right to sign contracts, declarations, letters of intent, as well as any other document necessary to carry out these operations;

i) signing contracts of any kind for the sale of the products produced by the Company, with the right to take all necessary steps for such sale, on the domestic and foreign market, signing any declarations, forms and other documents required for those operations;

j) signing contracts of any kind for the acquisition of any products, with the ability, to that end, to take all necessary measures for the purchase, on the domestic and foreign market, signing any declarations, forms or other documents required for these operations;

l) conferring powers-of-attorney upon lawyers to represent the Company in or out of court, with powers to delegate, settle and enter agreements;

m) contracting, altering and canceling insurance policies covering rights of any kind;

n) calling and presiding over Shareholders' Meetings;

o) acquiring stakes in the capital of other companies; and

p) any other administrative actions not expressly indicated above.

Paragraph Two — It is the responsibility of either of the two Presidents, or of the Finance Director, or the attorney-in-fact or attorneys-in-fact named as indicated above, to represent the Company before any public agencies whether Federal, State or Municipal, Independent Agencies, Commercial Boards, Employee and Employer Unions, consumer protection agencies, public service companies and any other organ of the Direct and Indirect Public Administration.

Paragraph Three — The elected members of the Board, at the time they take office, must declare under penalty of the law that they have not been convicted of any crime the penalty for which prohibits them from serving as directors of the Company, pursuant to the provisions of Article 1.011, paragraph 1, of the Civil Code.

Paragraph Four — The powers of the members of the Board shall be determined by shareholders representing at least 75% (seventy-five per cent) of the capital of the company;

Article 7 — The term of the members of the Board shall be 1 (one) year from the date of the resolution designating them until the date of the following resolution, and they may be re-elected.

Article 8 — In compliance with the provisions of Article 9, the Presidents, the Finance Director and the powers-of-attorney mentioned in Article 6 shall have powers to grant, separately or jointly, powers-of-attorney in the name of the Company upon third parties with specific powers to perform the actions mentioned in Paragraphs One and Two of Article 6 above.

Paragraph One — With the exception of the powers-of-attorney “ad judicia”, the powers-of-attorney referred to in this Article shall be for a period of up to 1 (one) year.

Paragraph Two — The powers-of-attorney referred to in this Article may be transferred, with or without reservation of the said powers, to third parties unless there is an explicit prohibition in that respect.

Article 9 — In the event of a vacancy, absence or impediment regarding one of the Presidents, the latter shall be replaced by the other President. In the event of a vacancy, absence or impediment regarding both Presidents, they shall be replaced by the Finance Director. In the event of a vacancy, absence or impediment of the two Presidents and of the Finance Director, they shall be replaced by the attorney-in-fact or attorneys-in-fact mentioned in the main portion of Article 6, until such time as the vacancy is filled or the absence or impediment of any of the above-cited individuals is ceased.

Article 10 — Any action by any of the members of the Board, attorneys-in-fact or employees of the Company that entails an obligation or responsibility outside the

corporate purpose of the Company is expressly prohibited and is null and void with respect to the Company.

Chapter IV — Shareholders' Meetings

Article 11 — The Regular Shareholders' Meeting shall be held every year, within the first four months of the end of the company fiscal year, in order to deliberate the election of members of the Board, as well as to receive the reports of the Directors, to decide upon the balance sheet and the income statement, as well as to deal with other matters of interest to the Company.

Article 12 — Corporate decisions shall be taken at the Shareholders' Meeting, and only the Minutes of Resolutions and the Charter Amendment Instruments signed by the shareholders attending the Meeting in sufficient number to validate the decisions, but without prejudice to those who wish to sign them, in the presence of two witnesses, shall be valid for the purposes of registration and other legal effects, the first copy being entered into the Public Register of Commercial Companies and the second copy filed at the main office of the Company along with the registration protocol, with the following express exemptions (i) filing with the Trade Register of the Minutes of Meetings that are not intended to have any effect before Third Parties; and (ii) the opening of a Minute Book.

Paragraph One — When the company's capital is not fully paid in, the appointment as Directors of persons who are not shareholders shall require the unanimous decision of the shareholders.

Paragraph Two — The following matters require a decision by shareholders representing at least 75% (seventy-five percent) of the capital stock: (i) amendment of the corporate charter; (ii) the transformation, incorporation, merger, dissolution, liquidation or termination of the state of liquidation of the Company; (iii) the dismissal of a director; (iv) the determination of the compensation of the directors; (v) the company's petition for bankruptcy or forced agreement; (vi) the granting of shares to third parties; (vii) approval of the Administration accounts; (viii) the appointment and dismissal of liquidators and evaluation of their accounts; and (ix) the naming of directors who are not shareholders when the capital of the company is totally paid up, or the appointment of shareholder directors.

Paragraph Three — The votes on corporate decisions shall be counted in terms of the value of the shares held by each shareholder.

Article 13 — Shareholders' Meetings shall be called by the members of the Board or by the shareholders when the members of the Board are more than 60 (sixty) days late in calling the meeting.

Paragraph One — The Meeting shall be called by means of an internal communication, "e-mail" or fax, indicating the place, date and time of the Meeting, as well as the matters to be discussed; the publication of the call in a newspaper is expressly waived.

Paragraph Two — No prior notice of meeting, and no specific indication of the place, date, time and agenda of the Meeting shall be required when all the shareholders are present.

Paragraph Three — The Shareholders' Meeting may be dispensed with when all the shareholders make a decision in writing on the matter that would be the purpose of the Meeting.

Chapter V — Company Fiscal Year, Financial Statements and Dividends

Article 14 — The company fiscal year shall commence on January 1 and end on December 31 of the same year.

Article 15 — At the end of each fiscal year, based on the commercial books of the Company and current laws, the corporate balance sheet, the statement of cumulative profits or losses, the income statement and a declaration of the sources and applications of resources, shall be prepared and then submitted to the Shareholders for their approval.

Paragraph One — The net profits determined for each fiscal year shall be applied as determined by the Shareholders. The distribution shall at all times be in proportion to the shares held.

Paragraph Two — At the end of each six-month period, a semi-annual balance sheet shall be drawn up, and the shareholders may declare a dividend against the profit indicated on this balance sheet.

Paragraph Three — The shareholders may also declare intermediate dividends against cumulative profits or profit reserves noted on the most recent annual or semi-annual balance sheet.

Paragraph Four — The Company may also draw up a balance sheet for shorter time periods, and it shall be the responsibility of the shareholders to determine the distribution of the profits noted on these balance sheets or to incorporate them into the capital stock, in compliance with the provisions of Paragraph One of Article 204 of Law no. 6.404 of December 15, 1976.

Chapter VI — General Provisions

Article 16 — The Company shall go into liquidation in the cases specified by law, and the form of liquidation and the liquidator shall be determined by the unanimous decision of the shareholders at a Shareholders' Meeting.

Article 17 — Pursuant to the provisions of Art. 1.085 of Law 10.406 of January 10, 2002, a shareholder may be excluded from the Company for Just Cause by decision of

shareholders holding shares that constitute a majority of the capital, at a Shareholders' Meeting called specifically for this purpose. If a shareholder is to be excluded, he or she must be notified within 15 (fifteen) days prior to the date of the Meeting.

Paragraph One — For the purposes of the provisions of this Article, the following shall be considered as Just Cause: — (i) engaging in actions of undeniable gravity; (ii) putting at risk the existence or continuity of the Company; (iii) engaging in a commercial activity in competition with the Company; (iv) joining or creating a company in the same field of activity as the Company but that does not belong to the latter's economic group; (v) being dismissed for just cause by the Company, if an employee of the company; (vi) being convicted of a bankruptcy crime, of lying, bribery or corruption, peculation, graft; or against the popular economy, against the national financial system, against the standards for the protection of competition, against consumer relations, public faith or property.

Article 18 — The death of any of the shareholders shall not dissolve the Company, the shares of that shareholder reverting in that case to the holdings of the majority shareholder which, based on the most recent Company balance sheet, shall pay the amount to the successor estate, and may, in the judgment of the remaining shareholders, admit third party shareholders.

Article 19 — For all questions arising from this contract, the courts of São Paulo, the State Capital, shall have jurisdiction, exclusive of any other forum.

The parties have signed this instrument in 3 (three) copies of equal content and form, in the present of 2 (two) witnesses.

São Paulo, September 18, 2008.

/s/ Antonio Tadeu Coelho Nardocci
NOVELIS INC.
by: Antonio Tadeu Coelho Nardocci

/s/ Antonio Tadeu Coelho Nardocci
Antonio Tadeu Coelho Nardocci

Witnesses:

1. /s/ Carina Cunto Ruiz
Name: Carina Cunto Ruiz
RG: 29.144.663-2 SSP/SP

2. /s/ Lazara Damaris Baltazar Carvalho
Name: Lazara Damaris Baltazar Carvalho
RG: 17.539.112-9 SSP/SP

[Stamp of the Secretary of the Treasury]
Commerce Department of the State
of São Paulo JUCESP
317.166/08-6

Exhibit 3.34

AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

This amended and restated limited partnership agreement (the **"Agreement"**) is entered into at Montreal, Québec, as of the 14th day of May, 2007

BETWEEN:

NOVELIS INC., duly incorporated under the laws of Canada, hereinafter referred to as **"Novelis"** or the **"Limited Partner",**

PARTY OF THE FIRST PART

AND:

4260848 CANADA INC., duly incorporated under the laws of Canada, hereinafter referred to as **"General Partner",**

PARTY OF THE SECOND PART

(All parties collectively referred to as **"Partners"** or individually as a **"Partner"**)

WHEREAS the Partners entered into a limited partnership agreement dated as of the 7th day of May, 2007 (the **"LP Agreement"**) to establish a limited partnership under the laws of the Province of Quebec for the purpose of, inter alia, owning, using, licensing, managing, protecting and generally exploiting certain trade-mark intellectual property and related licensing rights (collectively, the **"Property"**), and for the purpose of carrying on such other business or activities as may be determined from time to time by the Partnership;

WHEREAS Novelis is the sole owner of the Property and has the full rights to license such Property to third parties;

WHEREAS the Partnership acquired from Novelis all international rights (excluding Canada) to the Property and the assignment of existing licensing rights under contract in respect of the Property; and

AND WHEREAS the Partners wish to amend and restate the LP Agreement, which amended and restated partnership agreement will, inter alia, reflect the agreement of the Partners.

THE PARTIES HERETO AGREE AS FOLLOWS:

ARTICLE 1 PREAMBLE

1.1 The preamble shall form an integral part hereof.

ARTICLE 2 DEFINITIONS

2.1 **"Cash Flow"** means with respect to any period during which the Partnership is in existence (i) the total of any and all gross receipts derived by the Partnership for such period, and receiving during such periods, but excluding the proceeds from any Capital Transaction and deposits held in escrow by the Partnership (unless forfeited to the Partnership) less and to be deducted therefrom the aggregate all operating expenses of the Partnership for such period (other than those fully covered by an established reserve) in conducting its business and activities, determined in each case on a cash basis and including, without limitation, payments of principal and interest on Partnership loans, debts or other obligations and loans secured by Partnership assets, the cost of exploiting, maintaining and protecting the Property, salaries of employees of the Partnership, management fees, services fees, advertising expenses, legal fees, accounting fees, reasonable reserves established from time to time by the Partnership in such amounts and for such purposes as the General Partner shall determine, and other expenditures as may be determined by the General partner, but excluding depreciation and expenses and liabilities payable upon or in connection with or from the proceeds of any Capital Transaction.

2.2 **"Capital Transaction"** means the sale, exchange, expropriation, foreclosure, insurance award, condemnation, easement, sale or other similar transaction, with respect to any of the Property, that would normally be treated as a capital event.

ARTICLE 3 FORMATION

3.1 The parties hereto hereby constitute a limited partnership (the **"Partnership"**) as set forth in the *Civil Code of Quebec.* The principal establishment of the Partnership shall be located at the address set forth in paragraph 18.1 hereof or such other place or places as may be determined from time to time by the General Partner.

ARTICLE 4 NAME

4.1 The Partnership shall be known as the "Novelis No. 1 Limited Partnership" and the French version shall be "Société en commandite Novelis no. 1", or such other name as may be determined from time to time by the General Partner.

ARTICLE 5 INITIAL CAPITAL CONTRIBUTIONS

5.1 Novelis' contribution to the Partnership shall consist of (i) an initial capital contribution equal to one hundred dollars ($100), receipt of which is hereby acknowledge by the Partners, (ii) the transfer to the Partnership of Novelis' international rights (excluding Canada) in the Property pursuant to that certain International Trade-marks Transfer Agreement executed between Novelis and the Partnership and (iii) the assignment to the Partnership of Novelis' rights under the License Agreement executed between Novelis and its subsidiaries effective January 6, 2005 pursuant to that certain Assignment of License Agreement executed between Novelis and the Partnership.

5.2 The Partners shall determine the aggregate fair market value of Novelis' contributions to the Partnership within 120 days of the date of the LP Agreement. Novelis' initial capital contribution to the Partnership shall be equal to the amount so determined to be the aggregate fair market value of its contributions.

5.3 The General Partner's contribution to the Partnership shall consist of (i) an initial capital contribution equal to ten dollars ($10), receipt of which is hereby acknowledged by the Partners and (ii) its skill, management and operation of the business, activities and affairs of the Partnership as set forth in Article 10.

ARTICLE 6 ADMISSION OF LIMITED PARTNERS AND CONTRIBUTIONS

6.1 Except as otherwise provided herein, the General Partner may admit additional limited partners from time to time on such terms as it shall consider appropriate, bearing in mind the interests of Novelis. A person may acquire an interest in the Partnership by executing and delivering to the General partner a subscription and power of attorney form consenting to the terms hereof, and any documents deemed necessary by the General Partner to comply with applicable laws. A subscriber for an interest in the Partnership shall become a limited partner upon the acceptance of the subscription and power of attorney form by the General Partner.

6.2 Novelis shall not be required to make any additional contribution to the capital of the Partnership in excess of the initial capital contribution contemplated in paragraph 5.01.

6.3 No Partner shall be entitled to withdraw any part of its capital contribution, or to receive any distribution except as provided in this Agreement. No Partner shall be entitled to interest on the amount of its capital contribution.

ARTICLE 7 PARTNER'S CAPITAL ACCOUNT

7.1 The capital of the Partnership shall consist of the following:

A + B – C – D, where

A: represents the total aggregate fair market value of all cash amounts or other assets or services which the Partners have contributed to the Partnership, less any and all consideration paid thereon by the Partnership to the Partners;

B: represents the Partnership's profits;

C: represents the Partnership's losses;

D: represents the withdrawals made by the Partners.

ARTICLE 8 PROFITS AND LOSSES

8.1 Net profits and net losses shall mean the net income or net loss, respectively, of the Partnership as determined in accordance with Canadian generally accepted accounting principles consistently applied. The net profits and each item of income and gain thereof for each fiscal year of the Partnership shall be allocated among the Partners as follows, unless otherwise determined by the Partners:

(a) To Novelis, nine-nine and ninety-nine one-hundredths percent (99.99%) thereof,

(b) To the General Partner, one one-hundredth of one percent (0.01%) thereof.

The net losses and each item of loss deduction and credit thereof for each fiscal year of the Partnership shall be allocated among the Partners as follows, unless otherwise determined by the Partners:

(c) To Novelis, nine-nine and ninety-nine one-hundredths percent (99.99%) thereof,

(d) To the General Partner, one one-hundredth of one percent (0.01%) thereof.

ARTICLE 9 DISTRIBUTIONS

9.1 Cash Flow Distributions. Cash Flow for each fiscal year of the Partnership shall be distributed as follows, unless otherwise determined by the Partners:

(a) To Novelis, nine-nine and ninety-nine one-hundredths percent (99.99%) thereof,

(b) To the General Partner, one one-hundredth of one percent (0.01%) thereof.

9.2 Distributions from Capital Transactions. Net proceeds from a Capital Transaction shall be distributed to the Partners as follows, unless otherwise determined by the Partners:

(a) To Novelis, nine-nine and ninety-nine one-hundredths percent (99.99%) thereof,

(b) To the General Partner, one one-hundredth of one percent (0.01%) thereof.

9.3 Notwithstanding the foregoing, the General Partner and the Limited Partner may agree on reasonable and sufficient fees that the General Partner may charge the Partnership for its management services, taking into consideration the anticipated expenses and disbursements to be incurred by the General Partner in order to fulfill its duties to the Partnership and its business and activities.

9.4 Each Partner shall be exclusively responsible to pay any income taxes arising in respect of its share of any profits or distributions derived from the Partnership.

ARTICLE 10 MANAGEMENT OF THE PARTNERSHIP

10.1 The General Partner's contribution to the Partnership shall include its skill, management, and operation of the business, activities and affairs of the Partnership. The General Partner shall have the full and exclusive control of the business, activities and affairs of the Partnership and all decisions of the General Partner shall be binding on the Limited Partners and the Partnership. The General Partner shall do or cause to be done in a prudent and reasonable manner, any and all acts necessary, appropriate or incidental to the business, activities and affairs of the Partnership with honesty, good faith and in the best interests of the Partnership.

10.2 No Limited Partner, as such, shall take part in the management or control of the business or activities of the Partnership or transact any business for the Partnership nor may any Limited Partner have the power to sign for or bind the Partnership.

10.3 The General Partner may contract with any person to carry out any of the duties of the General Partner and may delegate to such person any power and authority of the General Partner hereunder, but no such contract or delegation shall relieve the General Partner of

any of its obligations hereunder. The General Partner shall be entitled to be reimbursed by the Partnership for all out-of-pocket disbursements and costs it incurs in acting on behalf of the Partnership.

10.4 The General Partner shall register the Partnership in accordance with Quebec legislation concerning the legal publication of partnerships.

ARTICLE 11 POWERS AND AUTHORITY OF THE GENERAL PARTNER

11.1 No person dealing with the Partnership is required to inquire into the authority of the General Partner to take any action or to make any decision in the name of the Partnership.

11.2 In addition to the other powers and authorities which the General partner shall have, as elsewhere set forth in this Agreement, the General Partner shall, subject to the terms hereof, have the power and authority on behalf of the Partnership:

(a) to manage, control and operate the business, activities and affairs of the Partnership and to do or cause to be done any and all acts necessary, appropriate or incidental to the business, activities and affairs of the Partnership;

(b) to enter into purchase, acquisition, joint venture, participation and all other agreements in connection with the business and activities of the Partnership;

(c) to engage from time to time employees, independent agents, consultants, professionals and advisors;

(d) to open bank accounts for the Partnership and designate from time to time the signatories to such accounts, and to execute loan and credit agreements on behalf of the Partnership;

(e) to borrow money from time to time in such amount or amounts as the General Partner shall determine;

(f) to grant hypothecs and other security on any property of the Partnership;

(g) to submit to binding arbitration any matters pertaining to the Partnership assets, undertaking, business or activities of the Partnership;

(h) to invest and reinvest the property of the Partnership;

(i) to enter into other partnerships, companies or business organizations or incorporate, operate and participate in other partnerships, companies or business organizations necessary or advisable for the business and activities of the Partnership and vote for and represent (or appoint proxies for same) the

Partnership at all meetings of such partnerships, companies or business organizations and to exercise any and all rights and execute any and all documents, in its absolute discretion, relating to the Partnership's participation in other partnerships, companies or business organizations;

(j) to oversee the distribution of the assets of the Partnership after payment or satisfaction of the liabilities of the Partnership in accordance with Article 15; and

(k) to enter into all agreements and do any act, take any proceeding, make any decision and execute and deliver any instrument, deed, agreement or document, which the General Partner may, in its discretion, determine necessary for purposes of carrying out the business, activities and affairs of the Partnership.

11.3 The General Partner may resign as such on giving at least thirty (30) days written notice to the other Partners and such resignation shall become effective on the expiry of such thirty-day period. If no replacement general partner is appointed by the time the General Partner's resignation becomes effective, the Partnership will be dissolved pursuant to Article 15.

11.4 The General Partner may be removed as the General partner of the partnership by unanimous agreement of the Limited Partners provided a new general partner is concurrently appointed by the Limited Partners.

ARTICLE 12 FISCAL YEAR, REGISTER, ACCOUNTING AND REPORTING

12.1 The fiscal period or year, as the case may be, of the Partnership shall be the period ending March 31 of each year.

12.2 The General Partner shall act as registrar and transfer agent for the Partnership or the General Partner shall appoint another duly qualified person for such purpose. In such capacity, the registrar and transfer agent shall maintain or cause to be maintained such books as are necessary to record the names and addresses of the Limited Partners and particulars of transfers of Partnership interests.

12.3 The General Partner shall keep adequate books and records reflecting the activities of the Partnership. Until the Partnership is dissolved or terminated and for a reasonable period thereafter, such books and records will be kept available for inspection and audit by any Limited partner or its duly authorized representatives during business hours at the offices of the General Partner. Upon request by a Limited Partner or its duly authorized representative, the General partner shall, at the expense of such Limited Partner, furnish a copy of the register of Limited Partners.

12.4

(a) The General Partner shall appoint a qualified firm of accountants to be the accountants or auditors of the Partnership. The General Partner may, at any time and from time to time, change the accountants or auditors of the Partnerships.

(b) The General Partner shall deliver to the Limited Partner, annual reports with respect to the finances of the Partnership and the business operations and activities of the Partnership. The annual report will be delivered to the Limited Partner within one hundred twenty (120) days of the end of each fiscal year.

(c) Within one hundred twenty (120) days following the end of each fiscal year of the Partnership, the General Partner shall forward or cause to be forwarded to each Limited Partner, who was a Limited Partner as at the end of such fiscal year, all necessary income tax reporting information to enable the Limited Partner to file an income tax return with respect to the Limited Partner's income from the Partnership with respect to such fiscal year.

(d) All financial statements of the Partnership will be prepared in accordance with Canadian generally accepted accounting principles.

ARTICLE 13 LIABILITY OF PARTNERS

13.1 The General Partner has unlimited liability for the liabilities and obligations of the Partnership. Subject to applicable laws, the liability of each Limited Partner for the liabilities and obligations of the Partnership is limited to the amount of its capital contribution plus its interest in the Partnership. A Limited Partner shall have no further personal liability for liabilities and obligations of the Partnership and will not be subject to, or to be liable for, any further calls or assessments or further contributions to the Partnership.

13.2 The Partnership and the General partner shall, to the greatest extent practical, endeavour to maintain the limited liability of the Limited Partners under applicable laws and regulations of the Province of Québec.

13.3 Except for gross negligence or wilful misconduct, the General Partner shall not be liable to the Limited Partners for:

(a) any mistakes or errors in judgment; or

(b) any act or omission believed in good faith to be within the scope of authority conferred by this Agreement.

13.4 The General Partner shall indemnify and hold harmless each Limited Partner (including former Limited Partners) from and against all costs and damages incurred by such Limited Partner that result from not having limited liability, other than a loss of limited liability caused by any act or omission of such Limited Partner. The General Partner will indemnify the Partnership for any damages incurred by the Partnership as a result of an act of gross or wilful misconduct by the General Partner or of any act or omission not believed in good faith to be within the scope of authority conferred by this Agreement.

13.5 The General Partner will purchase or arrange for the purchase, in the name of the Partnership, of insurance of such types and coverages as the General Partner considers appropriate.

ARTICLE 14 TERM

14.1 The Partnership will continue until dissolved in accordance with the terms of Article 15 or by operation of law.

14.2

ARTICLE 15 DISSOLUTION

15.1 The Partnership shall be dissolved upon the occurrence of any of the following:

(a) the Partners determine to dissolve the Partnership, in which case the Partnership shall be dissolved on the date so determined by the Partners;

(b) the General Partner resigns as such and no replacement is appointed in accordance with paragraph 11.3.

(c) the Partnership has only one Partner, in which case the Partnership shall be dissolved on the date on which the Partnership has only one Partner.

15.2 Upon dissolution of the Partnership:

(a) all amounts owing by the Partners to the Partnership shall immediately become due and shall immediately be paid to the Partnership;

(b) the assets of the Partnership shall be sold or otherwise applied to the extent required for the following purposes in the following order:

(i) To pay and discharge all of the debts and liabilities of the Partnership;

(ii) To pay the balance of the assets of the Partnership to the Partners, pro rata and *pari passu* based on the balance of their respective capital accounts immediately prior to the dissolution.

15.3 Notwithstanding any rule of law to the contrary, the partnership shall not be terminated and dissolved except in the manner provided in this Agreement. Without limiting the generality of the foregoing, the Partnership shall not be dissolved or terminated by the admission of any new Limited Partner or by the withdrawal, removal, insolvency, bankruptcy, death, mental incapacity of a Partner or by the transfer or disposal of any partner's interest in the Partnership.

15.4 In the event of the dissolution of the Partnership for any reason, the General partner shall act as the receiver of the Partnership. If the General Partner is unable or unwilling to act as receiver, the General Partner may appoint some other appropriate person or firm to act as receiver (the General Partner or such person or firm, in its capacity as receiver, is hereinafter referred to as the **"Receiver"**). The Receiver shall proceed diligently to wind up the affairs of the Partnership, to liquidate its assets and to distribute the proceeds from the sale of the Partnership assets. During the course of such liquidation, the Receiver shall operate the Partnership business and activities and in so doing shall be vested with all the powers and authorities of the General Partner in relation to the Partnership under the terms of this Agreement. Allocations and distributions shall continue to be made during the period of liquidation in the same manner as before dissolution. The Receiver shall have full right and unlimited discretion to determine the time, manner and terms of any sale or sales of Partnership assets pursuant to such liquidation, having due regard to the activity and condition of the relevant market and general financial and economic conditions. The Receiver shall be paid his reasonable fees and disbursements incurred in carrying out his duties as such.

15.5 Following the payment and discharge of all debts and liabilities of the Partnership and all expenses of liquidation (including, without limitation, the Receiver's reasonable fees and disbursements), and subject to the right of the Receiver to set up such cash reserves as he may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Partnership, the proceeds of the liquidation and any other funds of the Partnership shall be treated and distributed among the Partners on the same basis as set forth in paragraph 15.2.

15.6 Within a reasonable time following the completion of the liquidation of the Partnership's assets, the Receiver shall supply to each of the Partners an audited statement, which shall set forth the assets and liabilities of the Partnership as of the date of the completion of the liquidation, and each Partner's share of the distributions, if any.

15.7 No Partner shall have any right to demand or receive property, other than cash or a pro rata undivided interest in the assets of the Partnership or both, as the case may be, upon dissolution and termination of the Partnership or to demand the return of its capital contribution to the Partnership except as provided for herein.

15.8 Upon completion of the liquidation of the Partnership and the distribution of all Partnership funds and assets, the Partnership shall terminate and the General Partner shall have the authority to execute and record a declaration of dissolution as well as any other documents required to effect the dissolution and termination of the Partnership.

ARTICLE 16 DISPOSITION OF PARTNERSHIP INTERESTS

16.1 Without the written consent of all Partners, no Partner shall have the right to sell, transfer, encumber or otherwise dispose of any part of its interest in the Partnership, or assign or create a beneficial interest in its share of the Partnership's profits or losses or Cash Flow.

ARTICLE 17 ARBITRATION

17.1 Any dispute, controversy or claim of any nature whatsoever arising out of or related to this Agreement, or an alleged breach of this Agreement, shall be settled and determined by arbitration in accordance with the provisions of the Code of Civil Procedure of Québec regarding Arbitration Proceedings.

ARTICLE 18 NOTICE

18.1 Any notice, direction or request required or permitted to be given hereunder shall be in writing and shall be given by personal delivery, messenger, fax or by mailing the same in Canada by first class mail, postage prepaid, addressed as follows:

(a) to the Partnership or General Partner at:

2040 Fay Street
Jonquiére, Quebec
G7S 4K6

Fax: (418) 699-5293
Attention: Mme Micheline Riverin — comptroller

(b) to the Limited Partner at:

191 Evans Avenue
Toronto, Ontario
M8Z 1J5

Fax: (416) 503-6720
Attention: Mr. Cary Wasser — comptroller

Any notice, direction or request delivered personally or given by fax shall be deemed to be received by and given to the addressee on the day of sending. Any notice, direction or request mailed as aforesaid shall be deemed to have been received by and given to the addressee on the third business day following the date of mailing, except in the event of a disruption of postal service, in which event such notice, direction or request shall be delivered personally or sent by fax. The General Partner may change its address and the address of the Partnership for receipt of notice by giving notice of its new address or the new address of the Partnership to each Limited Partner as herein contemplated.

ARTICLE 19 POWER OF ATTORNEY

19.1 Each Limited Partner hereby grants to the General Partner, its successors and assigns, a power of attorney constituting the General Partner, with full power of substitution, as his true and lawful attorney and agent, with full power and authority, in his name, place and stead to execute, under seal or otherwise, swear to, acknowledge, deliver and record or file, as the case may be as and where required:

(a) all certificates and other instruments necessary or appropriate to qualify or continue the qualification of the Partnership in good standing in the Province of Québec and in each jurisdiction where the Partnership may conduct business or activities;

(b) all instruments and certificates necessary or appropriate to reflect any amendment, change or modification of the Partnership Agreement, subject to the terms and restrictions thereof;

(c) all conveyances and other documents necessary in connection with or to reflect the dissolution and liquidation of the Partnership, subject to the terms and restrictions of the Partnership Agreement;

(d) all documents relating to the admission of additional or substituted Limited Partners, subject to the terms and restrictions of the Partnership Agreement;

(e) all elections, determinations or designations under the *Income Tax Act* (Canada) or any other taxation or other legislation or laws of like import of Canada or of any province or other jurisdiction in respect of a Limited Partner's interest in the Partnership or the affairs of the Partnership;

(f) any documents necessary or appropriate to be filed in connection with the business or activities of the Partnership or the Partnership Agreement;

21.3 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors, administrators, representative and assigns.

21.4 Where necessary, the singular number shall be taken to include the plural, and the neuter, the masculine and/or the feminine gender.

21.5 This Agreement may be executed in any number of counterparts each of which shall be deemed to be an original and all of which shall be construed together as one agreement.

21.6 This Agreement shall be construed and interpreted in accordance with the laws of the Province of Québec.

21.7 The parties hereto acknowledge that they have requested and are satisfied that the foregoing be drawn up in English. Les parties aux présentes reconnaissent qu'elles ont exigé que ce qui précède soit rédigé en anglais et s'en déclarent satisfaites.

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO AT THE DATE AND PLACE FIRST MENTIONED ABOVE.

NOVELIS INC.

By: /s/ Leslie J. Parrette, Jr.
Name: Leslie J. Parrette, Jr.
Title: General Counsel, Chief Compliance Officer and Corporate Secretary

4260848 CANADA INC.

By: /s/ Marion Greenhalgh
Name: Marion Greenhalgh
Title: President

BYLAWS

of

Novelis Deutschland GmbH

I. General Provisions

§1

(1) The Company's registered name is:

Novelis Deutschland GmbH.

(2) The Company has its registered office in Göttingen.

§2

(1) The Company's purpose is the manufacture, handling and processing and the sale of and trading in aluminum and other metals, semi-finished metal products and finished metal products, including sheets as well as plastic products, all under the trademark "Novelis" (registered *inter alia* in the Trademark Register of the German Patent Office under No. 772 134).

(2) The Company may conduct all business directly or indirectly conducive to the Company's purpose. In order to achieve the Company's purpose, the Company may invest in the same or similar types of companies or acquire such companies. The Company may establish branches or subsidiaries.

§3

The Company's registered share capital amounts to EUR 111,500,000.00 (one hundred and eleven million, five hundred thousand euro), which is divided into the following shares:

1. EUR 11,150,000.00
2. EUR 100,350,000.00

§4

Every disposition of a share or of a fractional share, particularly assignment, pledging, or creation of a usufruct, is only permissible with the consent of the shareholders. Sec. 17 of the German Limited Liability Companies Act [*GmbH-Gesetz*] shall remain unaffected.

§5

The fiscal year commences on April 1 of each year and ends on March 31 of the following year. The time from January 1, 2008 to March 31, 2008 shall constitute an abbreviated fiscal year.

§6

The Company's notices will be published in the Federal Gazette [*Bundesanzeiger*] for the Federal Republic of Germany.

II. Shareholders

§7

(1) The rights of the shareholders result from the law and from the provisions set forth in these Bylaws.

(2) The shareholders are entitled to the net income for the year plus any profit carried forward and minus any loss carried forward. By a simple majority, a resolution may be passed to allocate amounts to revenue reserves or to carry the profit forward.

(3) The shareholders will determine the assignment of business among the Managing Directors and issue, where necessary or advisable, rules of internal procedure for the Management Board.

(4) Besides the powers assigned to them through sec. 46 nos. 1-4 and 6-8 of the German Limited Liability Companies Act, the shareholders have the following rights:

a) Appointment and dismissal of the shareholders who are members of the Supervisory Board pursuant to secs. 6 *et seq.* of the Co-determination Act [*Mitbestimmungsgesetz*],

b) Formal approval of the actions of the Managing Directors and the Supervisory Board,

c) Issuance of managerial instructions regarding all important and fundamental factual issues,

d) Establishment of guidelines for general business policy.

§8

(1) Unless otherwise required by law, the decisions to be reached by the shareholders shall be made by resolution with a simple majority of the votes cast.

(2) Each DM 1,000.00 (one thousand) of a share entitles its holder to one vote.

(3) Other than at meetings, shareholder resolutions may be also be passed in writing, by fax or e-mail, by wire, or by telephone, provided no shareholder objects to the passing of a resolution in this manner. A record must be prepared regarding every resolution; a copy of this record must be sent to every shareholder without undue delay. Resolutions regarding any amendment to the Bylaws (Articles of Association) must be notarized.

(4) The shareholders may be represented by representatives authorized to exercise their voting rights.

§9

(1) Shareholders' Meetings shall be called by the shareholders, their authorized representatives, by the Managing Directors, or, if necessary for the good of the shareholders, by the Supervisory Board.

(2) A Shareholders' Meeting shall be held once annually, in which the shareholders approve the annual financial statements, decide on the use of the profits, and select the annual auditor for the fiscal year in progress (Regular Shareholders' Meeting). The Regular Shareholders' Meeting must be held within six months after the expiration of each fiscal year.

III. Managing Directors

§10

(1) The Company has two or more Managing Directors.

(2) The Managing Directors are appointed and dismissed by the Supervisory Board. The Supervisory Board may nominate one Managing Director to be the Chairman of the Management Board.

(3) Each Managing Director has the power to represent the Company individually.

(4) The Supervisory Board may grant an exemption from the restrictions of sec. 181 of the German Civil Code [*Bürgerliches Gesetzbuch*] to one of more Managing Directors either generally or in individual cases.

§11

The Managing Directors manage the Company's business in accordance with the law, these Articles of Association, and the guidelines issued to them by the shareholders.

IV. Supervisory Board

§12

(1) The Supervisory Board consists of 12 members in total; six shareholders and six employees.

(2) Supervisory Board members are elected for the period of time until the end of the Regular Shareholders' Meeting in which a resolution is passed on the formal approval of their actions for the third fiscal year after the commencement of their term of office.

(3) The term of office of substitute members and of members of the Supervisory Board who are elected to replace members who withdraw early shall end no later than upon the end of the term of office of the withdrawing member of the Supervisory Board.

§13

(1) Subsequent to the Regular Shareholders' Meeting described in sec. 12 para 2, a meeting of the Supervisory Board will be held without special notice in which a Chairman and his Deputy will be elected. If the Chairman or his Deputy withdraws prior to the expiration of the term of office, the Supervisory Board must elect a replacement for the remainder of the term of office of the person withdrawing.

(2) Immediately after the election of the Chairman of the Supervisory Board and his Deputy, the Supervisory Board will form the committee specified in sec. 27 para. 3 of the Co-determination Act.

(3) The Chairman of the Supervisory Board will deliver all declarations of intent of the Supervisory Board and its committees.

(4) The Supervisory Board may appoint a Secretary who need not be a member of the Supervisory Board. The Secretary will schedule the Supervisory Board meetings and keep the minutes of the meetings.

§14

Meetings of the Supervisory Board will be called by the Chairman or, in case of his absence or disability, by his Deputy. The meeting must be called with a 14-day notice period and may be called in writing, by fax or e-mail, or by wire, specifying the agenda (topics for discussion) and sent to the addresses last provided to the Company.

§15

(1) The Supervisory Board shall have a quorum if at least half of the members of which it is required to be made up participate in the voting. Absent Supervisory Board members may participate in the voting by having another member of the Supervisory Board submit their written votes. Submitting a written vote is deemed to be participation in the voting.

(2) Unless otherwise required by law, resolutions of the Supervisory Board require a simple majority of the votes cast. If a vote results in a tie, then every member of the Supervisory Board shall be entitled to request that a new vote be held. If this new vote on the same matter also results in a tie, then the Chairman's vote will be counted as two votes. The method of voting shall be determined by the Chairman.

(3) Minutes must be kept of every meeting of the Supervisory Board and must be signed by the Chair of the meeting and the Secretary.

(4) The members of the Supervisory Board shall be obligated to keep confidential all confidential information and secrets of the Company, specifically trade secrets and business secrets that become known to the members of the Supervisory Board through their activities on the Supervisory Board.

§16

In addition to reimbursement of their expenses, the members of the Supervisory Board shall receive a set fee, the amount of which shall be determined by the shareholders. The Chairman shall receive one and a half times this amount, while his Deputy shall receive one and a quarter times this amount.

The provisions amended in the above Articles of Association are consistent with the resolution passed as per my record, Document No. 275/07 dated October 18, 2007 regarding the amendment of the Articles of Association. The unaltered provisions are consistent with the last complete text of the Articles of Association as submitted to the Commercial Register [*Handelsregister*].

Rosdorf, October 18, 2007

Notary

The foregoing is certified to be a true copy of its original.

Göttingen, Aug. 13, 2009
By the Clerk of the Local Court

Exhibit 3.40

Novelis Switzerland SA
Sierre / Switzerland

Articles of Association

Initials

I. General Provisions

§ 1 The Company is a Swiss stock company [*Aktiengesellschaft*] within the meaning of Art. 620 *et seq.* of the Swiss Code of Obligations [*Obligationenrecht*]. The Company's registered name is Novelis Switzerland SA (Novelis Switzerland AG, Novelis Switzerland Ltd), and its registered offices are located in Sierre (Switzerland).

§ 2 1 The Company's purpose is the manufacture and processing of metal products, particularly from aluminum and aluminum alloys, and trading in such products.

2 The Company may also acquire, encumber, administer and sell real estate and investments as well as intellectual property rights in Switzerland and abroad. It is authorized to establish branches and subsidiaries in Switzerland and abroad. Furthermore, it may conduct all other activities directly or indirectly associated with the specified purposes of the Company.

3 The Company may provide direct or indirect financing to third parties, including direct or indirect shareholders of the Company or of companies in which such direct or indirect shareholders have an interest, whether through a loan or through the provision of securities or any kind, whether in return for a fee or not.

§ 3 The Company has been formed for an indefinite period of time.

II. Share Capital and Share Register

§ 4 1 The Company's share capital amounts to CHF 5,000,000, divided into 5,000 fully paid up registered shares, each having a par value of CHF 1,000.

2 By order of the Management Board, share certificates comprising a specific number of shares may be created instead of individual share certificates.

3 The General Meeting is authorized to partition the shares into shares with smaller par values or to combine them into shares with larger par values. The General Meeting may convert registered shares into bearer shares and bearer shares into registered shares. For conversions into registered shares, the General Meeting may decide that the transferability thereof shall be restricted.

§ 5 1 The Company shall maintain a share register in which the owners and beneficiaries of the registered shares are listed.

2 On request, purchasers of registered shares shall be registered as shareholders with voting rights in the share register if they expressly declare that they have acquired these registered shares on their own behalf and for their own account. After having heard the registered shareholder, the Management Board may delete entries in the share register with retroactive effect to the date of the entries if these entries were made based on incorrect information. The affected party must be informed immediately of the deletion.

III. Organization of the Company

§ 6 The Company's governing bodies are:

A. The General Meeting

B. The Management Board

C. The Audit Committee

A. General Meeting

§ 5 1 The Company's supreme governing body is the General Meeting. It has the non-transferable powers described in Art. 698 par. 2 of the Swiss Code of Obligations.

2 The General Meeting will be called by the Management Board, and if necessary by the Audit Committee or by the liquidators. The meeting place will be specified at the same time the General Meeting is called. The General Meeting may also be called by one or more shareholders who jointly represent at least ten percent of the share capital, in writing and specifying the agenda items and motions.

3 Regular or extraordinary General Meetings must be called at least 20 days prior to the day of the meeting via publication pursuant to § 4 and by providing notice of the agenda items, the motions of the Management Board and the motions of the shareholders who have called for a General Meeting (Art. 699 par. 3 of the Swiss Code of Obligations) or for the inclusion of an item on the agenda (§ 8 par. 6).

4 Subject to the provisions regarding fully attended General Meetings pursuant to Art. 701 of the Swiss Code of Obligations, no resolutions may be passed regarding agenda items that are not properly announced, with the exception of motions to call an extraordinary General Meeting or to conduct a special audit.

5 No prior announcement is required to propose motions regarding agenda items or for negotiations without passing a resolution.

§ 8 Every shareholder is entitled to participate in the General Meeting and in the voting. Each share entitles the shareholder to one vote. A shareholder may be represented by a co-shareholder or by a third party, who need not be a shareholder. The representative requires a special written proxy. The Management Board will decide on whether to recognize the proxy.

§ 9 The regular General Meeting will be held annually within six months after the end of the fiscal year. Extraordinary General Meetings will be called as needed.

§ 10 1 The General Meeting will be chaired by the President of the Management Board or, in case of his absence or disability, by another member of the Management Board or by another chairman-du-jour elected by the General Meeting. The Chairman will designate the minute taker.

2 The Management Board will make the necessary decisions for the determination of the voting rights.

§ 11 1 The minutes of the General Meeting will be kept by a minute taker who will be appointed by the Management Board and who is not required to be a shareholder. The minutes will be signed by the Chairman of the General Meeting and by the minute taker.

2 The minutes will record the following:

1. the number, type, par value and category of the shares that are represented by the shareholders, the governing bodies, the independent proxies, and the portfolio representatives;
2. the resolutions and the election results;
3. the requests for information and the answers provided in response;
4. the statements made by shareholders for the record.

3 The shareholders have the right to review the minutes.

§ 12 1 Unless otherwise provided by law or by these Articles of Association, the General Meeting will pass resolutions and implement votes with an absolute majority of the represented share votes.

2 The powers and organization of the General Meetings are otherwise governed by Articles 698 – 705 of the Swiss Code of Obligations.

B. Management Board

§ 13 1 The Management Board shall consist of at least three members who must be shareholders. The members of the Management Board shall generally be elected by the General Meeting; each member of the Management Board shall be elected for a one-year term of office. The term of office of the members of the Management Board shall end upon the date of the next regular General Meeting, subject to early resignation or dismissal. Any new member will complete the term of office of the member he/she is replacing.

2 The Management Board organizes itself. The Management Board will designate its President and the Secretary. The latter may be nominated ad hoc to keep the minutes of the Management Board meetings and need not be a member of the Management Board.

3 Unless any organizational rules provide otherwise, in the event of a majority of members of the management board and other governing bodies of the Company, joint signature by two members is required.

§ 14 The Management Board shall be convened by the President or one of his representatives as often as business requires. Upon the written request of a member specifying the reasons for same, the President shall convene a meeting of the Management Board without undue delay.

§ 15 1 The Management Board will manage all of the Company's business affairs, unless the law or these Articles of Association require them to be handled by the General Meeting.

2 The Management Board has the following non-transferable and indefeasible duties:

1. managing the Company and issuing the necessary instructions;
2. determining the organization of the Company;
3. organizing the accounting, financial controlling and financial planning, to the extent that these are necessary for managing the Company;
4. appointing and dismissing the persons entrusted with the management of the Company and establishing their signatory power;
5. supervising the persons entrusted with managing the Company, namely, with respect to compliance with laws, the articles of association, rules, and instructions;
6. preparing the management report and scheduling the General Meeting and implementing the resolutions thereof; and
7. informing the court in the event of over-indebtedness.

3 The Management Board may assign the preparation and implementation of its resolutions or the monitoring of transactions to committees or individual members. It must provide for adequate reporting to its members.

§ 16 1 The Management Board shall have a quorum if the absolute majority of its members are present. The Management Board shall pass its resolutions by the majority of votes cast.

2 Resolutions may also be passed by way of written consent to a proposed motion, unless a member requests that oral deliberations be held.

Initials

§ 17 1 The Management Board may regulate its organization and the passing of resolutions by way of organizational regulations. The Chairman's casting vote as per Art. 713 par. 1 of the Swiss Code of Obligations is waived.

2 The Management Board may transfer the management of the Company in whole or in part to individual members or third parties in accordance with its organizational regulations. It may also transfer the representation of the Company to one or more members of the Management Board (Delegates) or to third parties who need not be shareholders (Directors). At least one member of the Management Board shall remain authorized to represent the Company. However, the non-transferable and indefeasible duties assigned to the Management Board shall, in any case, remain non-transferable and indefeasible.

The Management Board shall issue the necessary regulations.

C. Audit Committee

§ 18 1 The General Meeting shall elect one or more individuals or legal entities to the Audit Committee for a term of one year. These persons or entities must meet the special professional requirements required by law and must be independent from the Company.

2 The rights and obligations of the Audit Committee shall be governed by the relevant statutory provisions.

IV. Fiscal Year, Company Report, Distribution of Net Profit

§ 19 1 The fiscal year will be determined by the Management Board.

2 The Management Board will prepare a management report for every fiscal year, consisting of the annual financial statements (income statement, balance sheet, and notes) and the annual report.

3 The management report and the audit report must be made available to the shareholders for review at the Company's registered office no later than twenty (20) days prior to the regular General Meeting.

§ 20 Subject to mandatory statutory provisions, the General Meeting is free to resolve upon the use of the Company's net profit.

V. Dissolution and Liquidation

§ 21 1 The dissolution and liquidation of the Company shall be governed by the respective statutory provisions.

2 If a resolution is passed to dissolve the Company, the liquidation will be carried out by the Management Board if the General Meeting has waived the option to use a liquidator.

3 The liquidation of the Company shall be carried out in accordance with Art. 742 *et seq.* of the Swiss Code of Obligations. The liquidator is authorized to sell assets, including real estate, even on the open market.

4 Once the debts have been repaid, the remaining assets will be divided among the shareholders based on the amounts paid in.

VI. Notices and Announcements

§ 22 Company notices will be made in writing to the addresses of the shareholders and beneficiaries entered in the share register. Unless otherwise required by law, the Management Board may also issue notices through one-time publication in the Swiss Trade Bulletin [*Schweizerische Handelsamtsblatt*].

§ 23 The Company's publication method is the Swiss Trade Bulletin.

Initials

§ 24 Pursuant to the Spin-off Agreement [*Spaltungsvertrag*] between the Company and Alcan Aluminium Valais SA, in Sierre, dated November 30, 2004, in connection with the capital increase dated December 13, 2004 of Alcan Aluminium Valais SA, in Sierre, the Company shall assume the assets and liabilities on the spin-off balance sheet as of September 30, 2004. These assets and liabilities will be assumed at a value totaling CHF 12,000,002. In return, the Company will issue to its shareholders a total of 4,900 fully paid-up registered shares of the Company with a par value totaling CHF 4,900,000. The Company will allocate to the reserves the difference between the total par value of the issued shares and the net book value of the non-cash investment for a total amount of CHF 7,100,002.

Zurich, February 17, 2005

Exhibit 3.45

COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

- of -

NOVELIS SERVICES LIMITED

1 The Company's name is **NOVELIS SERVICES LIMITED**.

2 The Company's registered office is to be situated in England and Wales.

3 The Company's objects are:

3.1 To carry on the business of an investment company in all its branches, and for such purpose to acquire and hold for investment:

3.1.1 land, buildings, houses and other real or personal property, wheresoever situate, and of any tenure, and any estate or interest or right therein including freehold or leasehold ground rents, reversions, mortgages, charges and annuities;

3.1.2 shares, stocks, debentures, debenture stock, perpetual or otherwise, bonds, obligations and securities issued or guaranteed by any company, and debentures, debenture stock, bonds, obligations and securities issued or guaranteed by any government, sovereign, ruler, commissioners, public body or authority, supreme, municipal, local or otherwise; and

3.1.3 any patents, licences, rights or privileges which the Company may think necessary or convenient for the purposes of its business.

3.2 To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with any business of the Company or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or assets.

3.3 To acquire and take over the whole or any part of the business, property and liabilities of any company or person carrying on any business which the Company is authorised to carry on, or possessed of any property or assets suitable for the purposes of the Company.

3.4 To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property, patents, licences, rights or privileges which the Company may think necessary or convenient for the purposes of its business, and to construct,

maintain and alter any buildings or works necessary or convenient for the purposes of the Company.

3.5 To pay for any property or assets acquired by the Company either in cash or fully or partly paid shares or by the issue of securities or obligations or partly in one mode and partly in another and generally on such terms as may be determined.

3.6 To borrow or raise or secure the payment of money in such manner and upon such terms as the Company may think fit, and for any of such purposes to mortgage or charge the undertaking and all or any part of the property and rights of the Company, both present and future including uncalled capital, and to create and issue redeemable debentures or debenture stock, bonds or other obligations.

3.7 To give indemnities and/or stand surety for or guarantee, support or secure the performance of all or any of the obligations of any person, firm or company whether by personal covenant or by mortgage, charge or lien upon the whole or any part of the undertaking, property and assets of the Company, both present and future, including its uncalled capital or by both such methods; and, in particular, but without prejudice to the generality of the foregoing, to guarantee, support or secure whether by personal covenant or by any such mortgage, charge or lien as aforesaid or by both such methods the performance of all or any of the obligations (including the repayment or payment of the principal and premium and interest on any securities) of any company which is for the time being the Company's holding company (as defined by Companies Act 1985 section 736) or another subsidiary (as defined by that section) of any such holding company or a subsidiary (as defined by that section) of the Company.

3.8 To lend and advance money or give credit on any terms and with or without security to any person, firm or company (including, without prejudice to the generality of the foregoing, any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the Company).

3.9 To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.

3.10 To issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the Company or of its customers or of any other person or company having dealings with the Company, or in whose business or undertaking the Company is interested.

3.11 To establish and maintain, or procure the establishment and maintenance of, any non-contributory or contributory pension or superannuation funds for the benefit of, and to give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company or is allied to or associated with the Company, or any such subsidiary or of any company which is a predecessor in business of the Company or of any such other company as aforesaid, or any persons who are or were at any time directors or officers of the Company, or of any such other company as aforesaid, and the spouses, widows, widowers, families and dependants of any such persons, and also to establish and subsidise or subscribe to any institutions, associations,

clubs or funds calculated to be for the benefit of or advance the interests and well being of the Company or of any such other company as aforesaid, or of any such persons as aforesaid, and to make payments for or towards the insurance of any such persons as aforesaid, and to subscribe or guarantee money for any charitable or benevolent object or for any exhibition or for any public, general or useful object, and to do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.

3.12 To enter into any partnership or arrangement in the nature of a partnership, co-operation or union of interests, with any person or company engaged or interested or about to become engaged or interested in the carrying on or conduct of any business which the Company is authorised to carry on or conduct or from which the Company would, or might derive any benefit, whether direct or indirect.

3.13 To establish or promote, or join in the establishment or promotion of, any other company whose objects shall include the taking over of any of the assets and liabilities of the Company, or the promotion of which shall be calculated to advance its interests, and to acquire and hold any shares, securities or obligations of any such company.

3.14 To amalgamate with any other company.

3.15 To sell or dispose of the undertaking, property and assets of the Company or any part thereof, in such manner and for such consideration as the Company may think fit, and in particular for shares (fully or partly paid up), debentures, debenture stock, securities or obligations of any other company, whether promoted by the Company for the purpose or not, and to improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and assets of the Company.

3.16 To distribute any of the Company's property or assets among the members in specie.

3.17 To cause the Company to be registered or recognised in any foreign country.

3.18 To do all or any of the above things in any part of the world, and either as principal, agent, trustee or otherwise, and either alone or in conjunction with others, and by or through agents, subcontractors, trustees or otherwise.

3.19 To do all such other things as are incidental or the Company may think conducive to the attainment of the above objects or any of them.

And it is hereby declared that the word 'company' in this Clause, except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in the United Kingdom or elsewhere, and that the intention is that each of the objects specified in each paragraph of this Clause shall, except where otherwise expressed in such paragraph, be an independent main object and not be limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company.

4 The liability of the members is limited.

5 The Company’s share capital is $1,000,000 divided into 1,000,000 ordinary shares of $1 each.

We, the subscriber to this Memorandum of Association, wish to be formed into a company pursuant to this memorandum; and we agree to take the number of shares shown opposite our name.

Name and Address of Subscriber	**Number of shares taken by Subscriber**
Novelis Europe Holdings Limited Castle Works Rogerstone Newport NP10 9YD	10,000

For and on behalf of
Novelis Europe Holdings Limited

Dated: June 2008

WITNESS to the above signature:

Witness: Signature:

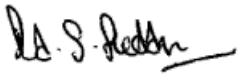
Name:

Address:

Occupation:

We, the subscriber to this Memorandum of Association, wish to be formed into a company pursuant to this memorandum; and we agree to take the number of shares shown opposite our name.

Name and Address of Subscriber	**Number of shares taken by Subscriber**
Novelis Europe Holdings Limited Castle Works Rogerstone Newport NP10 9YD	10,000



For and on behalf of
Novelis Europe Holdings Limited

Dated: 24 June 2008

WITNESS to the above signature:

Witness: Signature: 

Name: ANTONIO FRANCHINA

Address: 9 ELM COURT
WOOLASTON
GLOS

Occupation: TECHNICAL SALES MANAGER

Exhibit 3.46

THE COMPANIES ACTS 1985 AND 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- of -

NOVELIS SERVICES LIMITED

Macfarlanes LLP
20 Cursitor Street
London EC4A 1LT

DZB/3563208.1

THE COMPANIES ACTS 1985 AND 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- of -

NOVELIS SERVICES LIMITED

1 **Introduction and definitions**

1.1 The Regulations contained or incorporated in Table A in the Schedule to The Companies (Tables A to F) Regulations 1985 as in force at the date of adoption of these Articles (called "**Table A**" in these Articles) shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles.

1.2 Table A shall apply as if:

1.2.1 in Regulation 1 the term "clear days" and its accompanying definition was deleted and replaced with the following:

clear days: in relation to a period of a notice means that period excluding the day when the notice is deemed to be received (or, if earlier, received) and the day of the meeting;

1.2.2 the last paragraph of Regulation 1 were deleted and replaced with the following paragraph:

"Save as expressly provided otherwise in these Articles:

(a) words or expressions contained in Table A and in Articles of Association adopting the same bear the same meaning as in the Act; and

(b) any reference to any statutory provision (including subordinate legislation) shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force."

1.2.3 the words "(if any)" were inserted after each use of the words "the secretary" other than where that term and its accompanying definition are set out in Regulation 1.

1.3 In these Articles the following words and expressions shall have the following meanings:

1985 Act: the Companies Act 1985;

2006 Act: the Companies Act 2006;

a Conflict Situation: a situation in which a director has, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the Company, including in relation to the exploitation of any property, information or opportunity and regardless of whether the Company could take advantage of the property, information or opportunity itself, but excluding a situation which could not reasonably be regarded as likely to give rise to a conflict of interest;

the Controlling Shareholder: the registered holder for the time being of more than one half in nominal value of the issued ordinary share capital of the Company including (for the avoidance of doubt) any member holding all of the issued ordinary share capital of the Company; and

the Nominee: any person holding shares in the Company as nominee or otherwise on trust for the Controlling Shareholder.

2 **Share capital**

The share capital of the Company at the date of adoption of these Articles is $1,000,000 divided into 1,000,000 Ordinary Shares of $1 each.

3 **Issue of new shares**

3.1 No share or beneficial interest in a share shall be issued or allotted to any person other than the Controlling Shareholder or some other person expressly approved by the Controlling Shareholder in writing. Subject to that and to the provisions of section 80 of the 1985 Act, all the unissued shares for the time being in the capital of the Company shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper.

3.2 The directors are authorised, for the purposes of section 80 of the 1985 Act, to allot and issue relevant securities (as defined in section 80(2) of the 1985 Act) up to an aggregate nominal value of $990,000. This authority shall expire on the fifth anniversary of the date of the Company's incorporation, unless previously revoked, renewed or varied by the Company in general meeting.

3.3 The directors shall be entitled, pursuant to the authority conferred by Article 3.2 or any renewal or variation of such authority, to make at any time prior to its expiry any offer or agreement which would or might require relevant securities to be allotted after such expiry and to allot relevant securities pursuant to any such offer or agreement.

3.4 The provisions of sections 89(1) and 90(1) to (6) of the 1985 Act shall not apply to the Company.

4 **Transfer of shares**

4.1 Regulation 24 of Table A shall apply as if the first sentence was deleted and replaced with the following:

"Subject to Article 4.3, the directors may, in their absolute discretion, refuse to register the transfer of any share in the capital of the Company, whether fully or partly paid, save that the directors shall be obliged to register any transfer of shares made to or by, or with the express written consent of, the Controlling Shareholder, or made pursuant to Article 4.2."

4.2 The Controlling Shareholder may at any time by notice given to the Nominee at the registered address of the Nominee shown in the register of members of the Company require the Nominee to transfer all or any shares registered in his name to the Controlling Shareholder or any other person specified in the notice for no consideration. If the Nominee shall fail within 48 hours after service of the notice to transfer the shares in question, the directors may authorise any person to execute on behalf of and as agent for the Nominee any necessary instrument of transfer and shall cause the name of the transferee to be entered in the register as the holder of the shares in question. After the name of the transferee has been entered in the register in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.

4.3 Notwithstanding anything contained in these Articles:

4.3.1 any pre-emption rights conferred on existing members by these Articles or otherwise shall not apply to; and

4.3.2 the directors shall not decline to register, nor suspend registration of, any transfer of shares where such transfer is:

4.3.2.1 in favour of any bank or institution (or any nominee or nominees of such a bank or institution) to whom such shares are being transferred by way of security, or

4.3.2.2 duly executed by any such bank or institution (or any such nominee or nominees) to whom such shares shall (including any further shares in the Company acquired by reason of its holding of such shares) have been transferred as aforesaid, pursuant to the power of sale under such security, or

4.3.2.3 duly executed by a receiver appointed by a bank or institution pursuant to any security document which creates any security interest over such shares, or

4.3.2.4 in favour of any person when delivered by a bank or institution (or any nominees of such a bank or institution) to whom such shares have been mortgaged,

and a certificate by any official of such bank or institution (or any nominee or nominees thereof) or any such receiver that the shares are or are to be subject to such a security and that the transfer is executed in accordance with the provisions of this Article shall be conclusive evidence of such facts.

Any lien on shares which the Company has shall not apply in respect of any shares which have been charged by way of security to a bank or financial institution or a subsidiary (or any nominee or nominees thereof) of a bank or financial institution or which are transferred in accordance with the provisions of this Article.

5 **General meetings**

5.1 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. One member holding more than one half in nominal value of the issued ordinary share capital of the Company for the time being and present in person or by proxy or representative shall constitute a quorum and shall be deemed for this purpose to constitute a valid meeting but, save in such a case, two members present in person or by proxy or representative shall be a quorum. Regulation 40 of Table A shall not apply.

5.2 Regulation 38 of Table A shall apply as if the word "given" in the final sentence of that Regulation was deleted and replaced with the word "sent".

6 **Proxies**

6.1 Regulations 60 and 61 of Table A shall be modified by the addition of the following sentence at the end of each of those Regulations:

"The appointment of a proxy shall be in writing sent to such address (including any number) as may be notified by or on behalf of the Company for that purpose and may be in such form as the directors may approve including requirements as to the use of such discrete identifier or provision of such other information by a member so as to verify the identity of such member and as to the authenticity of any electronic signature thereon."

6.2 If more than one appointment of a proxy relating to the same share is deposited, delivered or received for the purposes of the same meeting, the appointment last delivered or received shall prevail in conferring authority on the person named therein to attend the meeting and vote. An appointment of proxy in electronic form found by the Company to contain a computer virus shall not be accepted by the Company and shall be invalid.

6.3 The appointment of a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:

6.3.1 in the case of an appointment in hard copy form, be:

6.3.1.1 deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 24 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

6.3.1.2 delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote at any time

before the meeting in question takes place to the Chairman or to the secretary (if any) or to any director; or

6.3.2 in the case of an appointment in electronic form, where an address has been specified by the Company pursuant to section 333 of the 2006 Act for the purpose of receiving communications in that form, be received at that address not less than 24 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

6.3.3 in the case of a poll, be delivered in hard copy form at the meeting at which the poll was demanded to the Chairman or to the secretary (if any) or to any director, or at the time and place at which the poll is held to the Chairman or to the secretary (if any) or to any director or scrutineer,

and an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid. Regulation 62 of Table A shall not apply.

6.4 Regulation 63 of Table A shall apply as if the words "contained in an electronic communication" were deleted and replaced with the words "in electronic form".

7 **Appointment of directors**

7.1 The Controlling Shareholder shall have the right at any time and from time to time to appoint one or more persons to be a director or directors of the Company. Any such appointment shall be effected by notice in writing to the Company by the Controlling Shareholder and the Controlling Shareholder may in like manner at any time and from time to time remove from office any director (whether or not appointed by him or it pursuant to this Article).

7.2 Regulation 64 of Table A shall apply as if the word "two" was deleted and replaced with the word "one".

7.3 Regulation 65 of Table A shall be modified by the deletion of the words "approved by resolution of the directors and".

7.4 Regulations 76 and 77 of Table A shall not apply.

7.5 Regulation 78 of Table A shall be modified by the deletion of the words "and may also determine the rotation in which any additional directors are to retire".

7.6 Directors' fees may be paid to such directors and in such amounts as the directors may from time to time determine. Regulation 82 of Table A shall not apply.

7.7 Regulation 84 of Table A shall be modified by the deletion of the third and final sentences.

8 **Disqualification of directors**

Regulation 81 of Table A shall be modified by the deletion of paragraph (e) and the addition of the following paragraph:

"(e) he is removed from office under the provisions of Article 7.1 of the Company's Articles of Association".

9 **Proceedings of directors**

9.1 All directors shall be entitled to be given notice of board meetings even if absent from the United Kingdom for the time being. The third sentence of Regulation 88 of Table A shall not apply.

9.2 The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number. A sole director shall have authority to exercise all powers and discretions vested in the directors and, in the event of there being a sole director, Regulation 89 of Table A shall apply as if the word "two" was deleted and replaced with the word "one". Regulation 90 of Table A shall not apply.

9.3 Any director who participates in the proceedings of a meeting by electronic means (which includes, for the avoidance of doubt, by telephone) by which all the other directors present at such meeting (whether in person or by alternate or by electronic means) may hear at all times such director and such director may hear at all times all other directors present at such meeting (whether in person or by alternate or by electronic means) shall be deemed to be present at such meeting and shall be counted when reckoning a quorum.

10 **Authorisation of directors' conflicts of interest**

10.1 If a Conflict Situation arises, the directors may authorise it for the purposes of section 175(4)(b) of the 2006 Act by a resolution of the directors made in accordance with that section and these Articles. At the time of the authorisation, or at any time afterwards, the directors may impose any limitations or conditions or grant the authority subject to such terms which (in each case) they consider appropriate and reasonable in all the circumstances. Any authorisation may be revoked or varied at any time in the discretion of the directors.

10.2 Article 10.1 shall have effect on and from 1 October 2008 or such other date that section 175 of the 2006 Act comes into force.

10.3 Regulation 85 of Table A shall be modified by addition at the end of paragraph (b):

"or which is a holding company or a subsidiary of a holding company of the company".

11 **Directors voting and counting in the quorum**

11.1 Save as otherwise specified in these Articles or the Act and subject to any limitations, conditions or terms attaching to any authorisation given by the directors for the purposes of section 175(4)(b) of the 2006 Act, a director may vote on, and be counted in the quorum in relation to any resolution relating to a matter in which he has, or can have:

11.1.1 a direct or indirect interest or duty which conflicts, or possibly may conflict, with the interests of the Company; and

11.1.2 a conflict of interest arising in relation to an existing or a proposed transaction or arrangement with the Company.

11.2 Regulations 94 to 98 (inclusive) of Table A shall not apply.

12 **Communications**

12.1 The company communications provisions (as defined in the 2006 Act) shall also apply to any document or information not otherwise authorised or required to be sent or supplied by or to a company under the Companies Acts (as defined in the 2006 Act) but to be sent or supplied by or to the Company pursuant to these Articles. Notice of a meeting of the directors may also be given by telephone.

12.2 The provisions of section 1168 of the 2006 Act (hard copy and electronic form and related expressions) shall apply to the Company as if the words "and the Articles" were inserted after the words "the Companies Acts" in sections 1168(1) and 1168(7).

12.3 Section 1147 of the 2006 Act shall apply to any document or information to be sent or supplied by the Company to its members under the Companies Acts or pursuant to these Articles as if:

12.3.1 in section 1147(2) the words "or by airmail (whether in hard copy or electronic form) to an address outside the United Kingdom" were inserted after the words "in the United Kingdom";

12.3.2 in section 1147(3) the words "48 hours after it was sent" were deleted and replaced with the words "when sent, notwithstanding that the Company may be aware of the failure in delivery of such document or information.";

12.3.3 a new section 1147(4)(A) were inserted as follows:

"Where the document or information is sent or supplied by hand (whether in hard copy or electronic form) to an address in the United Kingdom and the Company is able to show that it was properly addressed and sent at the cost of the Company, it is deemed to have been received by the intended recipient when delivered.".

12.4 Proof that a document or information sent by electronic means was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the document or information was properly addressed as required by section 1147(3) of the 2006 Act and that the document or information was sent or supplied.

12.5 In the case of members who are joint holders of shares, anything to be agreed or specified by the holder may be agreed or specified by the holder whose name appears first in the register of members. Schedule 5, Part 6, paragraph 16(2) of the 2006 Act shall apply accordingly.

12.6 Regulations 111, 112 and 115 of Table A shall not apply.

13 **Indemnities, insurance and funding of defence proceedings**

13.1 This Article 13 shall have effect, and any indemnity provided by or pursuant to it shall apply, only to the extent permitted by, and subject to the restrictions of, the Act. It does not allow for or provide (to any extent) an indemnity which is more

extensive than is permitted by the Act and any such indemnity is limited accordingly. This Article 13 is also without prejudice to any indemnity to which any person may otherwise be entitled.

13.2 The Company shall indemnify every person who is a director or other officer (other than an auditor) of the Company out of the assets of the Company from and against any loss, liability or expense incurred by him or them in relation to the Company.

13.3 The Company may indemnify any person who is a director of a company that is a trustee of an occupational pension scheme (as defined in section 235(6) of the 2006 Act) out of the assets of the Company from and against any loss, liability or expense incurred by him or them in connection with such company's activities as trustee of the scheme.

13.4 The directors may purchase and maintain insurance at the expense of the Company for the benefit of any person who is or was at any time a director, or other officer (other than an auditor) of the Company or of any associated company (as defined in section 256 of the 2006 Act) of the Company or a trustee of any pension fund or employee benefits trust for the benefit of any employee of the Company.

13.5 The directors may, subject to the provisions of the Act, exercise the powers conferred on them by section 205 of the 2006 Act to:

13.5.1 provide funds to meet expenditure incurred or to be incurred in defending proceedings referred to in that section or in connection with an application for relief referred to in that section; or

13.5.2 take any action to enable such expenditure not to be incurred.

13.6 Regulation 118 of Table A shall not apply.

Name and Address of Subscriber

Novelis Europe Holdings Limited
Castle Works
Rogerstone
Newport
NP10 9YD

For and on behalf of
Novelis Europe Holdings Limited

Dated: June 2008

WITNESS to the above signature:

Witness: Signature:

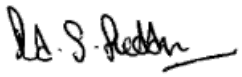
Name:

Address:

Occupation:

Name and Address of Subscriber

Novelis Europe Holdings Limited
Castle Works
Rogerstone
Newport
NP10 9YD



For and on behalf of
Novelis Europe Holdings Limited

Dated: 24 June 2008

WITNESS to the above signature:

Witness:	Signature:	
	Name:	ANTONIO FRANCHINA
	Address:	9 ELM COURT WOOLASTON GLOS
	Occupation:	TECHNICAL SALES MANAGER

"NOVELIS LUXEMBOURG S.A."
FORMERLY "PECHINEY EUROFOIL Luxembourg S.A."
Société Anonyme
Public Company Limited by Shares
Luxembourg
Luxembourg Commercial Register B 19.358

CONSOLIDATED AND UPDATED BYLAWS dated November 16, 2005

of the *société anonyme* "**NOVELIS LUXEMBOURG S.A.**," with head office at L-3401 Dudelange, Riedgen Industrial Zone, registered with the Commercial register in Luxembourg, section B, under number B 19358, formed pursuant to instrument executed in the presence of notary Tom Metzler, then of residence in Dudelange, dated April 29, 1982, published in Memorial C, number 181 of July 28, 1982, amended pursuant to instrument executed in the presence of notary Tom Metzler, aforementioned, dated August 20, 1982, published in Memorial C, number 45 of February 19, 1983, amended pursuant to instrument executed in the presence of notary Tom Metzler, aforementioned, dated February 18, 1983, published in Memorial C, number 88 of March 30, 1983, amended pursuant to instrument executed in the presence of notary Tom Metzler, aforementioned, dated March 30, 1983, published in Memorial C, number 130 of May 20, 1983, amended pursuant to instrument executed in the presence of notary Joseph Elvinger, of residence in Dudelange, dated December 31, 1984, published in Memorial C, number 54 of February 22, 1985, amended pursuant to instrument executed in the presence of notary Joseph Elvinger, aforementioned, dated December 27, 1985, published in Memorial C, number 90 of April 12, 1986, amended pursuant to instrument executed in the presence of notary Tom Metzler, of residence in Luxembourg-Bonnevoie, dated April 23, 1987, published in Memorial C, number 224 of August 13, 1987, amended pursuant to instrument executed in the presence of notary Tom Metzler, aforementioned, dated August 7, 1987, published in Memorial C, number 338 of November 23, 1987, amended pursuant to instrument executed in the presence of notary Tom Metzler, aforementioned, dated March 30, 1988, published in Memorial C, number 171 of June 22, 1988, amended pursuant to instrument executed in the presence of notary Tom Metzler, aforementioned, dated February 1, 1989, published in Memorial C, number 158 of June 8, 1989, amended pursuant to instrument executed in the presence of the undersigned notary dated March 30, 1989, published in Memorial C, number 222 of August 16, 1989, amended pursuant to instrument executed in the presence of the undersigned notary dated September 16, 1991, published in Memorial C, number 416 of November 4, 1991, amended pursuant to instrument executed in the presence of the undersigned notary dated June 20, 1994, published in Memorial C, number 441 of November 8, 1994, amended pursuant to instrument executed in the presence of the undersigned notary dated February 10, 1995, published in Memorial C, number 279 of June 20, 1995, amended pursuant to instrument executed in the presence of the undersigned notary dated August 24, 1998, published in Memorial C, number 842 of November 19, 1998,

amended pursuant to instrument executed in the presence of notary Andre Schwachtgen, of residence in Luxembourg City, dated December 30, 1999, published in Memorial C, number 287 of April 17, 2000, amended pursuant to instrument executed in the presence of Attorney Alex WEBER, the undersigned notary on March 26, 2001, published in Memorial C, number 951 of November 2, 2001, amended pursuant to instrument executed in the presence of Attorney Alex WEBER, dated June 15, 2001, published in Memorial C, number 1208 of December 21, 2001. Amended pursuant to instrument executed in the presence of Attorney Joseph Elvinger, dated December 31, 2004, published in Memorial C, number 461 of May 18, 2005 Amended pursuant to instrument executed in the presence of Attorney Joseph Elvinger, dated November 16, 2005 in process of publication

Art. 1. A company under Luxembourg law is hereby incorporated as a "sociètè anonyme" with the following name: **"Novelis Luxembourg S.A.".**

Art. 2. The Company has its Head Office in the City of Dudelange, Grand Duchy of Luxembourg.

The Head Office may be transferred to any other place within the Grand Duchy of Luxembourg by a decision of the Board of Directors. The Board of Directors shall also have the right to set up offices, administrative centers, agencies and branches wherever it shall see fit, either within or outside the Grand Duchy of Luxembourg.

Should any political, economic or social events of an exceptional nature occur or threaten to occur, which are likely to affect the normal functioning of the Head Office or

the communications with abroad, the head Office may be provisionally transferred abroad until such time as circumstances have completely returned to normal.

Such decision shall not affect the Company's nationality. The declaration as to the transfer abroad of the Head Office will be made and brought to the attention of third parties by the competent organ of the Company best placed to do so in the circumstances.

The general meeting of the shareholders is the final judge, even a posteriori, as to whether the above mentioned events may have constituted a case of force majeure.

Art. 3. The object of the Company is to purchase, manufacture, market, sell and/or trade aluminium products, associated products, raw materials, technology, know-how and associated equipment.

The Company may take any participating interest in any commercial or industrial enterprise. It may acquire and exploit any patent, licence, trademark or technical and industrial know-how. It may generally undertake any operation which is directly or indirectly linked to its corporate object or useful in connection therewith.

Art. 4. The company is established for an unlimited period.

Art. 5. The registered capital is fixed at 82.085.198,35.- EUR (eighty two million eighty five thousand one hundred ninety eight euros thirty five cents) represented by 66.026 (sixty six thousand twenty six) shares without a nominal value.

Art. 6. The shares are all registered.

A register of the shares will be kept at the Head Office, where it will be available for inspection by any shareholder. This register will contain all the information required by Article thirty nine of the law of 10th August 1915, concerning Trading Companies.

Title to the shares will be established by an inscription to be inserted in the above register.

Certificates of these inscriptions will be taken from a counterfoil register and signed by two directors.

Art. 7. The Company will recognize only one holder of each share; when any share is held by more than one person, the Company has the right to suspend the exercise of all rights attached to that share until one person has been appointed sole holder in relation to the Company; the same rule shall apply in case of conflict between an usufructuary and a bare owner, or between or pledger and a pledgee.

Art. 8. The share capital may be increased in one or several stages by decision of the General Meeting and the effecting of any such increase may be entrusted to the Board of Directors.

Art. 9. The Board of Directors may authorize the issue of bonds and debentures, in bearer or other form, in any denomination or denominations and payable in any currency or currencies. The Board of Directors shall fix the rate of interests, conditions of issue and payment and all other terms and conditions thereof. The bonds must be signed by two Directors, both of which signatures may be affixed by facsimile or by means of a stamp.

Art. 10. The Company is administered by a Board of Directors composed of at least three members appointed by the General Meeting for a term to expire at the latest after the next Annual General Meeting.

In the event of a Director's post becoming vacant, the remaining Directors have the right to appoint a temporary replacement. In such event the next General Meeting will be asked to confirm this appointment.

Retiring Directors are eligible for reelection.

Art. 11. The Board of Directors will elect a Chairman from among its members. If the Chairman is unable to be present, his place will be taken by one or the Directors present at the meeting.

The Board of Directors may elect a Secretary of the Company, and, as it shall see fit, an appropriate number of Assistant-Secretaries. Neither the Secretary nor the Assistant Secretary need be members of the Board of Directors.

Art. 12. Meetings of the Board of Directors are convened by the Chairman or two members of the Board.

The meetings are held at the place, the day and the hour specified in the convocations.

The Board of Directors may only proceed to business if a majority of its members are present or represented.

Directors, unable to be present, may delegate by letter another member of the Board to represent them and to vote in their name. Directors, unable to be present, may also cast their votes by letter or by telegram.

Decisions of the Board are taken by an absolute majority of the votes cast.

Where the number of votes cast for and against a resolution are equal, the Chairman has a deciding vote.

A director, having a personal interest in a matter submitted for approval of the Board, shall be obliged to inform the Board thereof and to have his declaration recorded in the minutes of the meeting. He may not take part in the relevant proceedings of the Board.

At the next General Meeting of shareholders, before votes are taken on any other matter, the shareholders shall be informed of the case in which a Director has a personal interest. In the event of a member of the Board of Director having to abstain due to a conflict or

interest, resolutions passed by the majority of the other members of the Board present or represented at such meeting and voting will be deemed valid.

Resolutions signed by ail the Directors shall be as valid and effectual as if passed at a meeting duly convened and held. Such signatures may appear on a single document or multiple copies of an identical resolution.

Art. 13. The decisions of the Board of Directors will be recorded in minutes to be inserted in a special register and signed by the Chairman.

Copies or extracts are signed by the Chairman or any two members of the Board.

Art. 14. The Board of Directors is invested with the broadest powers to perform all acts of administration and disposition in the Company's interest. All powers not expressly reserved by law or by the present charter to the General Meeting, fall within the competence of the Board of Directors.

Art. 15. The Board of Directors may with the prior approval of the General Meeting of Shareholders entrust day-to-day management of the Company's business to one of its members appointed Managing Director. The Board may further delegate powers to Managers or other officers. It may appoint proxies for definite powers, and revoke such appointments at any time.

Art. 16. All acts binding the Company and all powers and mandates must be signed by any two directors or by the Managing Director, or by any person or persons to whom signatory authority has been delegated by the Board.

The persons so signing will not have to justify to third parties the powers under which they are acting or the absence of any special authorization. Any litigation whether as plaintiff or as defendant shall be conducted by the Board of Directors in the Company's name. All writs or judicial acts are validly issued in the name of the Company alone.

Art. 17. The Corporation shall indemnify its directors and officers against all reasonable expenses incurred by them in defending claims made or suits brought against them as directors or officers and against all liability in such suits, except in such cases as involve gross negligence or willful misconduct in the performance of their duties.

Such indemnification shall extend to the payment of judgements against the directors and officers and to reimbursement of amounts paid in settlement of such claims or actions, and may apply to judgements in favour of the Corporation or amounts paid in settlement to the Corporation.

Such indemnification shall also extend to the payment of counsel fees and expenses of officers and directors in suits against them where successfully defended, if the claim or

action does not arise from the gross negligence or willful misconduct of such officers or directors.

Such right of indemnification shall not be exclusive of any right to which any directors or officers may be entitled as a matter of law and shall extend and apply to the estates of the deceased directors or officers.

Art. 18. The audit of the Company's affairs will be entrusted to one or more Auditors, to be appointed by the General Meeting for a term of one year. This term shall, however, expire at the latest at the next Annual General Meeting.

Art. 19. The General Meeting properly constituted represents the whole body of shareholders. Its decisions are binding on shareholders who are absent, opposed or abstaining from voting.

The General Meeting has the broadest powers to do or ratify all acts which concern the Company.

Art. 20. The Annual General Meeting will be held in the municipality, of the registered office at 3.p.m. on the first Monday in June.

Should Chat day be a Public holiday, the meeting will be postponed to the next full working day at the same hour. General Meetings will be held at the place to be indicated in the convening notice.

Art. 21. The Annual General Meeting will hear the statement of the Board of Directors and the Auditor, vote on the approval of the report and accounts and on the distribution of the profit, proceed to make all nominations required by the Statutes act on the discharge of Directors and Auditors, and take such further action on other matters that may properly come before it.

Each share entitles the holder to one vote subject to the limitations laid down by law.

Each shareholder is entitled to vote in person or by proxy who need not be a shareholder.

Art. 22. The Board of Directors shall be responsable for calling both Ordinary and Extraordinary General Meetings.

It shall be obliged to call a General Meeting whenever a group of shareholders representing at least one fifth of the subscribed capital requests it in writing, indicating the agenda.

All notices calling General Meetings must contain the agenda for such meetings.

If the entire subscribed capital is represented, the proceedings of the General Meetings will be deemed valid even if no notice has been issued beforehand.

The Board of Directors may determine the forte of proxies to be used and require them to be deposited at a time and place which it shall fix.

Art. 23. The General Meeting is presided over by the Chairman of the Board of Directors, or, in his absence, by the Director who is replacing him.

The Meetings choose from its number two scrutineers.

The other members of the Board complete the Committee.

Art. 24. The minutes of the General Meeting are signed by the members of the Committee t tee and by any shareholders who wish to do so.

However in case where decisions of the General Meeting have to be certified, copies or extracts for use in court or elsewhere must be signed by the Chairman of the Board of Directors or any two Directors.

Art. 25. The Company's financial year runs from the first of January to the thirty-first of December each year.

Art. 26. Each year, as of the thirty-first of December, the Board of Directors will draw up the Balance Sheet which will contain a record of the property of the Company together with its debts and liabilities.

At the same time, the accounts will be closed and the Board of Directors will prepare a Profit and Loss Account for the last trading year.

At least one month prior to the Annual General Meeting, the Board of Directors will submit the Company's Balance Sheet and Profit and Loss Account together with its report and such other documents as may be required by law to the Auditor who will thereupon draw up his report.

Two weeks before the Annual General Meeting the Balance Sheet and the Profit and Loss Account, Directors Report, Auditors Report and such other documents as may be required by law shall be deposited at the Head Office of the Company where they will be available for inspection by the shareholders during regular business hours.

Art. 27. The credit balance and the Profit and Loss Account, after deduction of the general expenses, taxes, social charges, write-offs and provisions for past and future contingencies as determined by the Board of Directors, represents the net profit.

Every year five per cent of the net profit will be set aside in order to build up the statutory reserve.

This deduction ceases to be obligatory when the statutory reserve amounts to one tenth of the authorized and issued capital.

The remaining balance of the net profit shall be at the disposal of the General Meeting.

Dividends when payable will be distributed at the time and place fixed by the Board of Directors.

Interim dividends may be distributed by observing the terms and conditions for seen by law.

Art. 28. In the event of the dissolution of the Company at any time or for any reason, the liquidation will be carried out by the liquidators appointed by the General Meeting; if no liquidators are so appointed, liquidation will be carried out by the Board of Directors.

The surplus after liquidation will then be used to repay the share capital.

The final surplus will be distributed between all the shareholders in accordance with their holdings.

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Suit le texte en langue francaise des statuts coordonnés précités

Art. 1. Par la présente, il est formé une société anonyme sous la dénomination suivante :

« Novelis Luxembourg S.A. ».

Art. 2. Le siège social de la société sera établi à Dudelange, dans le Grand-Duché de Luxembourg. Il pourra être transféré dans toute autre localité du pays par décision du Conseil d'Administration. Le Conseil d'Administration aura le droit des bureaux, centres administratifs, agences et succursales partout, selon qu'il appartiendra, aussi bien dans le Grand-Duché qu'à l'étranger.

Pour le cas où des événements extraordinaires d'ordre politique, économique ou social de nature à compromettre l'activité au siège social ou la communication de ce siège avec l'étranger se produiront ou seront imminents, le siège social pourra être transféré provisoirement à l'étranger, jusqu'au moment où les circonstances seront redevenues complètement normales.

Un tel transfert ne changera rien à la nationalité de la société qui restera luxembourgeoise. La décision relative au transfert provisoire du siège social sera portée a la connaissance des tiers par l'organe de la société qui, suivant les circonstances est le mieux placé pour y procéder.

L'assemblée générale des actionnaires décidera en dernier lieu, même à posteriori, si les événements relatés ci-dessus ont constitué en cas de force majeure.

Art. 3. La société a pour objet l'achat, la production, le marketing, la vente et/ou le commerce de produits en aluminium, de produits complémentaires, matières premières, technologie, know-how et équipements ayant un rapport avec ce qui précède.

La société peut prendre toute participation dans des entreprises commerciales ou industrielles. Elle peut acquérir et exploiter tout brevet, licence, marque ou secrets techniques ou industriels. D'une façon générale elle peut faire toute opération qui est en rapport direct ou indirect avec son objet social ou utile à son accomplissement.

Art. 4. La société est constituée pour une durée illimitée.

Art. 5. Le capital social est fixé à 82.085.198,35 EUR (quatre vingt deux millions quatre vingt cinq mille cent quatre vingt dix-huit euros trente cinq cent) représenté par 66.026 (soixante six mille vingt six) actions, sans désignation de valeur.

Art. 6. Les actions sont toutes nominatives.

I1 est tenu au siège social un registre des actions dont tout actionnaire pourra prendre connaissance et qui contiendra les indications prévues à l'article trente-neuf de la loi concernant les sociétés commerciales.

La propriété des actions s'établit par une inscription sur ledit registre.

Des certificats constatant ces inscriptions serons délivrés d'un registre à souches et signés par deux administrateurs.

Art. 7. . La société ne reconnaît qu'un propriétaire par action. S'il y a plusieurs propriétaires par action la société aura le droit de suspendre l'exercice de tous les droits y attachés jusqu'à ce qu'une seule personne ait été désignée comme étant à son égard propriétaire. I1 en sera de même dans 1e cas d'un conflit opposant un usufruitier et un nu-propriétaire, ou un débiteur et un créancier gagiste.

Art. 8. Le capital social peut être augmentê en une ou plusieurs fois par suite d'une décision de 1'Assemblée Générale des actionnaires.

Le Conseil d'Administration courra être chargé de l'exécution d'une pareille décision.

Art. 9. Le Conseil d'Administration peut autoriser l'émission d'emprunts obligataires sous formes d'obligations au porteur ou autre, sous quelque dénomination que ce soit et payable en quelque monnaie que ce soit.

Le Conseil d'Administration fixera le taux d'intérêt, les conditions d'émission et de remboursement et toutes autres conditions y ayant trait.

Les obligations doivent être signées par deux administrateurs; ces signatures peuvent être apposées par fascimile ou à l'aide d'une griffe.

Art. 10. La société est administrée par un Conseil d'Administration composé d'au moins trois membres nommés par 1'assemblée générale pour un terme expirant au plus tard après 1a prochaine assemblée générale annuelle.

En cas de vacance d'un poste d'administrateur, les administrateurs restants ont le droit de nommer un remplçant temporaire; dans ce cas la prochaine assemblée générale sera invitée à ratifier cette nomination.

Les administrateurs sortants peuvent être réélus.

Art. 11. Le Conseil d'Administration élit parmi les administrateurs un Président. En cas d'absence du Président, les réunions du Conseil sont présidées par un administrateur présent.

Le Conseil d'Administration élira un secrétaire de société et suivant qu'il appartiendra un nombre approprié de secrétaires adjoints. Ni le secrétaire, ni les secrétaires adjoints n'ont besoin d'appartenir au Conseil d'Administration.

Art. 12. Le Conseil d'Administration se réunit sur la convocation du Président du Conseil ou de deux de ses membres.

Les assemblées se tiennent au lieu et à la date indiqués dans la convocation.

Le Conseil d'Administration peut uniquement entamer l'ordre du jour si la majorité de ses membres sont présents ou bien représentés.

Tout administrateur empêché peut donner par écrit délégation à un autre membre du Conseil pour le représenter et pour voter en ses lieu et place.

Les administrateurs empêchés peuvent également émettre leur vote par lettre ou par télégramme.

Les résolutions du Conseil seront prises à la majorité absolue des votants. En cas de partage, la voix de celui qui préside la réunion sera décisive.

Un administrateur ayant un intérêt personnel dans une affaire soumise à l'approbation du conseil, sera obligé d'en informer le Conseil et de se faire donner acte de cette déclaration dans le procès-verbal de la réunion. II ne peut pas prendre part aux opérations afférentes du Conseil. Lors de la prochaine assemblée générale des actionnaires, avant de procéder au vote de toute autre question, les actionnaires seront informés des matières où un administrateur a un intérêt personnel.

Au cas où un membre du Conseil d'administration a dû s'abstenir pour conflit d'intérêts, les résolutions prises à la majorité des autres membres du Conseil présents ou représentés à la réunion et qui votent seront tenues pour valables.

Les résolutions signées de tous les administrateurs seront aussi valables et efficaces que si elles avaient été prises lors d'une réunion dûment convoquée et tenue. De telles signatures peuvent apparaître sur un document unique ou sur des copies multiples d'une résolution identique.

Art. 13. Les décisions du Conseil d'Administration seront constatées par des procès-verbaux qui seront insérés dans un registre spécial et signés par le président.

Les copies ou extraits de ces minutes doivent être signés par le Président du Conseil d'Administration ou par deux administrateurs.

Art. 14. Le Conseil d'Administration est investi des pouvoirs les plus étendus pour accomplir tous actes de disposition et d'administration dans l'intérêt de la société.

Tous les pouvoirs qui ne sont pas expressément réservés par la loi ou par les statuts de la société à l'assemblée générale seront de la compétence du Conseil d'Administration.

Art. 15. Le Conseil d'Administration peut de l'assentiment préalable de l'assemblée générale des actionnaires, déléguer la gestion journalière de la société à un de ses membres qui portera le titre d'administrateur-délégué. En outre il peut déléguer des pouvoirs à des directeurs et fondés de pouvoirs.

Il peut désigner des mandataires avant des pouvoirs définis, et les révoquer en tout temps.

Art. 16. Tous les actes qui engagent la société, tous les pouvoirs et toutes les procurations doivent, pour sortir leurs effets, être signés par deux administrateurs ou par l'administrateur-délégué ou par toute personne ou personnes à qui des pouvoirs de signature auront été délégués par le Conseil d'Administration.

Les personnes signataires n'auront pas à justifier à l'égard des tiers des pouvoirs en vertu desquels ils agissent ni de l'absence d'autorisation spéciale. Tout procès, tant en demandant qu'en défendant sera poursuivi par le Conseil d'administration au nom de la société. Tous les écrits ou actes judiciaires sont valablement émis au nom de la société seule.

Art. 17. La société indemnisera ses administrateurs, directeurs et fondés de pouvoir de toutes les dépenses raisonnables qui leur sont occasionnées car toutes actions ou procès intentés contre eux en leur qualité d'administrateur, de directeur ou de fondé de pourvoir ainsi que de toutes les obligations résultant de ces actions en justice, sauf le cas ou ils ont fait preuve de négligence grave ou de mauvaise administration intentionnelle dans l'exécution de leurs obligations.

Une telle indemnisation s'étendra au paiement des, jugements qui condamncnt les administrateurs, directeurs et fondés de pouvoir et au remboursement des sommes payées en cas d'arrangement extrajudiciaire et pourra s'appliquer aux jugements en faveur de la société ou de sommes payées à la société suite à ces arrangements.

Une telle indemnisation s'étendra également au paiemenl des frais des avocats et des depenses des fondés de pouvoir, administrateurs et directeurs dans les procès ou il se defendent avec succes, si la demande ou l'action en justice n'a pas pour origine une negligence grave ou une mauyaise administration intentionnelle de ces fondés de pouvoir, administrateurs ou directeurs.

Un tel droit à indemnisation n'est pas exclusif d'autres droits auxquels les administrateurs directeurs ou fondés de pouvoir peuvent prétendre en vertu de la loi et il s'étendra aux successions des administrateurs, directeurs ou fondés de pouvoir décédés.

Art. 18. La surveillance des opérations de la société sera confiée à un ou plusieurs commissaires élus par l'assemblée générale des actionnaires pour un terme d'un an.

Le mandat des commissaires expirera toutefois au plus tard lors de la prochaine assemblée générale annuelle.

Art. 19. L'assemblée générale légalement constituée, représente l'ensemble des actionnaires. Ses décisions engagent les actionnaires absents, opposés ou qui se sont abstenus au vote.

L'assemblée générale a les plus larges couvoirs cour accomplir ou ratifier tous actes concernant la société.

Art. 20. L'assemblée générale annuelle se tiendra dans la commune du siège à trois heures de l'aprés-midi, le premier lundi du mois de juin. Si ce jour est un jour férié, l'assemblée sera reportée au premier jour ouvrable suivant, à la même heure. Les assemblée genérales se tiendront au lieu indiqué dans la convocation.

Art. 21. L'assemblée générale entendra le rapport du Conseil d'Administration et du commissaire, votera sur l'approbation des rapports et des comptes et sur la distribution des profits, procédera aux nominations requises par les statuts, donnera décharge aux administrateurs et aux commissaires et traitera des autres questions qui pourront lui être dévolues.

Toute action donne droit à une voix, sous réserve des limitations prévues par la loi.

Tout actionnaire pourra voter en personne ou par mandataire qui ne sera pas nécessairement actionnaire.

Art. 22. Le Conseil d'Administration sera responsable de la convocation des assemblées ordinaires ou extraordinaires.

II sera obligé de convoquer une assemblée générale chaque fois qu'un groupe d'actionnaires représentant au moins un cinquième du capital souscrit, le demandera par écrit, en indiquant l'ordre du jour.

Tout avis contenant convocation à l'assemblée générale doit contenir l'ordre du jour de l'assemblée générale.

Si le capital social entièrement souscrit est représentée, les délibérations de l'assemblée générale seront considérées comme valables même si aucun avis de convocation n'a été envoyé.

Le Conseil d'Administration peut déterminer la forme des mandats â employer et exiger qu'ils seront déposés dans le temps et à la place qu'il indiquera.

Art. 23. Le président du Conseil d'Administration, ou en son absence, l'administrateur qui le remplace, préside les assemblées générales.

L'assemblée choisira parmi ses membres deux scrutateurs.

Les autres membres du Conseil d'Administration complétent le comité.

Art. 24. Les procès-verbaux de l'assemblée générale seront signés par les membres du Comité et par tout actionnaire qui le demande.

Toutefois, au cas où les délibérations de l'assemblée doivent être certifiées conformes, les copies et les extraits qui en seront délivrés pour être produits en justice ou ailleurs doivent être signés par le Président du Conseil d'administration ou par un des deux administrateurs.

Art. 25. L'année sociale commence le premier Janvier et se termine le trente et un décembre de chaque année.

Art. 26. Chaque année, au trente et un décembre, le Conseil d'Administration établit le bilan qui contiendra l'inventaire des avoirs de la société et de toutes les dettes actives et passives.

A la même époque, les comptes seront clos et le conseil d'Administration préparera un compte des profits et pertes de l'année sociale écoulée. Au plus tard, un mois avant l'assemblée générale annuelle, l'administration soumettra le bilan de la société et le compte des pertes et profits en même temps que son rapport, ainsi que tout autre document qui pourra être requis par la loi, au Commissaire qui sur ce, établira son rapport.

Deux semaines avant l'assemblée générale annuelle, le bilan, le compte des profits et pertes, le rapport du Conseil d'Administration,. le rapport du Commissaire ainsi que tous autres documents qui pourront être requis par la loi, seront déposés au siège social de la société ou les actionnaires pourront en prendre connaissance durant les heures du bureau normales.

Art. 27. L'excédent créditeur du compte des pertes et profits aprés déduction des frais généraux, impôts, charges sociales, amortissements et provisions pour engagements passés ou futurs, déterminés par le Conseil d'Administration, constituera le benefice net de la société.

Chaque annee cinq pour cent du bénéfice net seront affectés à la réserve legale. Cette affectation cessera d'être obligatoire lorsque la réserve légale aura atteint un dixieme du capital autorisé et émis.

Le solde restant des bénéfices nets sera à la disposition de l'assemblée générale. Les dividendes, s'il y a lieu à leur distribution, seront distribués à l'époque et au lieu fixés par le Conseil d'Administration.

Des acomptes sur dividendes pourront être versés en conformité avec les conditions prévues par la loi.

Art. 28. Dans le cas de la dissolution de la société, pour quelque raison ou à quelque moment que ce soit, la liquidation sera faite par des liquidateurs nommés par l'assemblée générale, ou si ces liquidateurs n'étaient pas désignés de cette façon, par le Conseil d'Administration.

The balance after liquidation shall be used for redemption of the capital stock.

The final balance shall then be distributed equally among all the shares.

A CERTIFIED TRUE COPY OF THE CONSOLIDATED AND UPDATED BYLAWS
dated November 16, 2005
Luxembourg City, January 18, 2006

[inked seal:]
Joseph Elvinger, notary
Luxembourg City

Exhibit 3.48

NOVELIS PAE

Simplified joint stock company with capital of €40,000
Head office: 725 rue Aristide Bergès — 38340 Voreppe
421 528555 Grenoble Commercial Register

BYLAWS

NOVEMBER 2004

TITLE 1
FORM — NAME — PURPOSE — HEAD OFFICE — DURATION

Article 1 — FORM

The Company shall have the form of a simplified joint stock company, governed by current laws and regulations, and by these bylaws.

The Company may be comprised of several partners or a single partner, without modifying the corporate form.

The Company may not make public issues of stock.

Article 2 — NAME

The Company shall be named: **NOVELIS PAE**

The instruments or documents issued by the Company and intended for third parties must contain the indication of the company's name, preceded or followed legibly, at least once, by the words "simplified joint stock company" or the initials "S.A.S." followed by the amount of the capital stock. Moreover, it must indicate at the top of its invoices, order forms and price lists, and on all correspondence and receipts concerning its activity and signed by it or on its behalf, the location of the court at whose clerk's office it shall be registered principally in the commercial register, and its registration number.

The name of the Company may be changed on plain decision of the Chairman, who shall be authorized to amend the bylaws accordingly.

Article 3 — PURPOSE

The purpose of the Company shall be:

- all industrial and commercial transactions concerning, directly or indirectly in all their forms, any metals in the pure state or in the form of alloys and particularly aluminum and its alloys as well as any substitute product; and
- the acquisition of all shareholdings and interests, in any forms, in all businesses or companies, the acquisition, holding and management of any shares and securities whatever belonging to the Company.

For that purpose it may:

- rent or lease, acquire and use any—even agricultural—establishments that it possesses or may possess as well as any factories;
- take, acquire and sell any shares, bonds, profit interests, instruments or other securities of French and foreign companies;
- and, generally, conduct both in France and abroad any commercial, industrial, financial, agricultural, chattel-property or real-estate transactions directly or indirectly related or that may be useful to its purpose or facilitate the realization thereof.

It may act on its own behalf or on behalf of third parties, either alone or in participation, partnership or company, with any other companies or persons and conduct the transactions within its purpose, directly or indirectly, in France or abroad, in any form.

Article 4 — HEAD OFFICE — BRANCHES

The head office of the Company shall be fixed at: 725 rue Aristide Bergès — 38340 Voreppe.

The head office of the Company may be transferred to any other location in the territory of the French Republic, on plain decision of the Chairman, who shall be authorized to amend the bylaws accordingly.

Administrative headquarters, branches, offices and agencies may be created in France and abroad, on plain decision of the Chairman, who may also terminate them.

Article 5 — DURATION

Except in the event of early dissolution or extension, the duration of the Company shall be set at ninety-nine (99) years as of the date of its registration in the Commercial register.

TITLE II
CAPITAL STOCK — SHARES

Article 6 — AMOUNT AND COMPOSITION OF CAPITAL STOCK

The capital stock shall be set at forty thousand (40,000) euros. It shall be divided into eight thousand (8,000) shares of five (5) euros each, fully paid in.

Article 7 — CHANGES IN CAPITAL STOCK

The capital stock shall be increased, amortized or reduced by collective decision of the partners, or on unilateral decision of the sole partner if the Company is comprised of only a sole partner.

The collective of partners or, if the Company is comprised only a sole partner, the sole partner may, in observance of current statutory and regulatory provisions, delegate to the Chairman the powers necessary one or more times to increase the capital stock of the Company, to set the methods thereof, to record the realization thereof and to make the correlative amendment to the bylaws. In the event of an increase by issuance of new shares to be subscribed in cash, a preemptive right for the subscription of those shares shall be reserved to the partners or the sole partner, as the case may be, under current statutory and regulatory conditions. However, that right may be eliminated in observance of current statutory and regulatory conditions.

The collective of partners or, if the Company is comprised of only a sole partner, the sole partner may, in observance of current statutory and regulatory provisions, delegate to the Chairman the powers necessary to reduce the capital stock of the company, to record the realization thereof and to make the correlative amendment to the bylaws.

Article 8 — FORM AND OWNERSHIP OF SHARES

The shares must be registered. The ownership of the shares shall result from their registration in the name of their holder in the Company's accounting kept for that purpose. The certificates of registration in account shall be validly signed by the Chairman or any other person who has been empowered by the Chairman for that purpose.

Article 9 — RIGHTS AND OBLIGATIONS ATTACHED TO SHARES

The rights and obligations attached to each share shall be those defined by current legislation and regulations and these bylaws.

Each share shall give the right to a stake in the profits and the liquidation surplus proportional to the number of existing shares, considering, if necessary, the amortized or unamortized or paid-in capital, and the par value of the shares.

The ownership of a share shall automatically signify adherence to the bylaws, subsequent amendments thereto and, in the event of multiple partners, to any collective decisions of the partners.

Each partner shall be liable for the company's liabilities only up to the amount of his contributions. The same shall hold true for the sole partner.

Article 10 — TRANSFER — TRANSFER OF SHARES

Shares shall be freely transferable. Their transfer shall occur by transfer from account to account on signed instructions from the transferor or his duly authorized representative.

TITLE III
MANAGEMENT AND AUDIT OF THE COMPANY
REGULATED AGREEMENTS

Article 11 — CHAIRMAN

The Company shall be administered and managed by a Chairman, an individual or a legal entity.

If the Company consists of multiple partners, the Chairman shall be appointed by unilateral decision of the partner possessing at least half of the shares composing the capital stock of the Company or, absent that, by collective decision of the partners. If the Company is comprised of only a sole partner, the Chairman shall be appointed by unilateral decision of the sole partner.

The decision appointing the Chairman shall set, if applicable, the methods of his compensation.

The Chairman may be appointed for a limited term that shall be set in the appointment decision, or for an unlimited term. If the Chairman's term in office is for a specific duration, it shall be renewable without limitation. In all cases, the Chairman may be revoked and replaced at any time.

The functions of the Chairman shall end by his resignation or revocation, and by the death of the individual or the dissolution of the legal entity exercising such functions. If the Chairman's term in office is closed-ended, these functions shall also terminate at the expiration of that term in office.

If the Company consists of several partners, the decision for revocation, renewal or replacement of the Chairman shall be made by unilateral decision of the partner possessing at least half of the shares composing the capital stock of the Company or, absent that, by collective decision of the partners. If the Company is comprised of only a sole partner, the decision for revocation, renewal or replacement of the Chairman shall be made on plain unilateral decision of the sole partner.

If the Chairman is temporarily indisposed, the Chairman's functions may be temporarily delegated to any individual or legal entity on plain unilateral decision of the partner possessing at least half of the shares that make up the capital stock of the Company or, absent that, on collective decision of the partners or, if the company is comprised of only a sole partner, on plain unilateral decision of the sole partner.

If the Company consists of several partners, the Chairman may be a person other than a partner. If the Company is comprised of only a sole partner, the Chairman must be another person. If the Chairman is an individual, he may be selected from among the persons bound by an employment contract with the Company, but such employment contract may not obstruct his revocation from the Chairman's position.

Article 12 — POWERS OF CHAIRMAN

The Chairman shall assume, under his responsibility, the general management of the Company and shall represent the Company in its relations with third parties.

Subject to the powers expressly vested by law or these bylaws in the collective of partners or the sole partner, the Chairman shall be vested with the broadest powers to act under any circumstance in the name of the Company within the limit of the company's purpose.

The Chairman may delegate powers to any agent of his choice, within the limit of those that shall be vested in him by law and these bylaws. Those delegations shall subsist when he leaves his position, unless his successor revokes them or modifies them.

If there is a works council, the delegates of the works council shall exercise with the Chairman, or with any person whom the Chairman substitutes for that purpose and acting under the responsibility of the Chairman, the rights defined by the provisions of article L. 432-6 of the labor code, particularly at the meeting stipulated in article 21 of these bylaws.

When a legal entity is appointed to be chairman, its executive officers shall be subject to the same conditions and obligations and incur the same civil or criminal liabilities as if they were chairman in their own name, without prejudice to the joint and several liability of the legal entity that they manage.

Article 13 — CHIEF EXECUTIVE OFFICER

The Chairman of the Company may instruct an individual to assist him in the capacity as Chief Executive Officer.

In the event of appointment of a Chief Executive Officer, the Chairman shall determine the duration and extent of the powers of the Chief Executive Officer who, with regard to third parties, shall have the same powers as the Chairman and may so prove by producing a copy of these bylaws certified by the Chairman. The Chief Executive Officer position may be revoked at any time by the Chairman. In the event of cessation of the functions of the Chairman, the Chief Executive Officer shall retain his functions and powers until the appointment of the new Chairman, barring contrary collective decision of the partners or contrary unilateral decision of the sole partner.

Article 14 — COMMITTEES

The Chairman may decide to create committees to study the matters that he submits to its examination for opinion and that relate to all or part of the activities of the Company or all or part of the activities of other companies that are connected with the Company's activities.

The Chairman shall set and modify freely the composition and powers of those committees, which shall conduct their activity under his responsibility. He shall determine whether it is necessary to compensate the members of these committees due to the missions that are entrusted to them and shall set and modify freely, if necessary, the amount of that compensation.

The methods of notice and meeting of these committees shall be freely determined by the Chairman or any person whom he substitutes for that purpose.

Article 15 — INDEPENDENT AUDITORS

One or more main independent auditors shall be named by collective decision of the partners or, if the Company is comprised of only a sole partner, by unilateral decision of the sole partner. They shall exercise their audit mission pursuant to law.

One or more alternate independent auditors shall be enlisted to replace the main independent auditors in the event of the latter's death, indisposal or refusal, must be appointed by collective decision of the partners or, if the Company is comprised of only a sole partner, by unilateral decision of the sole partner.

TITLE IV
DECISIONS OF THE PARTNERS

Article 16 — JURISDICTION OF THE PARTNERS

The decisions in the following matters shall be made collectively by the partners, who may delegate full powers to the Chairman or to any other persons to carry them out or, if the Company is comprised of only a sole partner, under the sole jurisdiction of the sole partner:

- approval of the annual financial statements and, if applicable, the consolidated financial statements;
- allocation of earnings and distribution of dividends;
- appointments of the independent auditors;
- mergers, spin-offs and partial contributions of assets subject to the rules governing spin-offs;
- modification of the capital stock by increase, reduction or amortization;
- expansion, reduction or modification of the company's purpose;
- early dissolution or extension of the Company;
- transformation of the Company;
- amendment of the Company's bylaws, other than amendments that are expressly under the jurisdiction of the Chairman pursuant to these bylaws.

Moreover, the Chairman shall be appointed under the conditions stipulated in these bylaws.

Lastly, if the Company consists of several partners, the adoption, amendment or elimination of bylaw provisions relating to the approval of transfers of shares, the inalienability of shares or the exclusion of a partner shall be within the jurisdiction of the partners under the conditions stipulated by current statutory provisions.

All other decisions shall be under the powers of the Chairman, who shall exercise them under the conditions stipulated in these bylaws

Article 17 — VOTING RIGHT — MAJORITY

Each partner shall have the right to participate in the collective decisions by himself or through an agent of his choice. The voting right attached to the shares shall be proportional to the percentage of the capital that they represent. Each share shall give the right to one vote. Abstention shall be equivalent to an unfavorable vote.

Except for collective decisions which, pursuant to statutory provisions, must imperatively be made unanimously by the partners present or represented, the collective decisions of the partners shall be made by simple majority of the partners present or represented.

Article 18 — COLLECTIVE DECISIONS OF PARTNERS

The decisions of the partners shall be made in the form of collective decisions either at a general meeting of partners under the conditions stipulated in (a), or by written consultation of the partners under the conditions stipulated in (b), or by separate instrument under the conditions stipulated in (c).

(a) The general meeting of partners shall be called by the Chairman or an agent designated by him for that purpose. The notice shall be made by any means. If the independent auditors are to participate in the general meeting, they shall be notified under the same conditions as the partners. The notice shall specify the date, time and place of the general meeting.

If a partner is unable to participate in that general meeting, he may be represented there by any person of his choice. If a partner or the person enlisted to represent him is physically unable to go to the general meeting, that partner or his representative may participate remotely in the general meeting by conference call or videoconference with the other participants.

No condition of quorum, of advance notice period or advance setting of the agenda shall be required for holding general meetings of partners.

The general meeting shall be chaired by the Chairman or, in his absence, by any person designated for that purpose by the partners or their representatives participating in the general meeting.

Any collective decision adopted as a general meeting of partners shall be recorded in official minutes of meeting drawn up and signed by the Chairman, and by a partner who participated in or was represented at the meeting or, if that partner is a legal entity, by his legal representative or agent authorized for that purpose by him. Those minutes shall indicate the date, time and place of the meeting. It shall specify the identity of the partners present or represented, indicating the number of shares respectively held by each one of them, their method of participation in the meeting and, if applicable, the identity of their respective representatives. It shall also indicate the identity of any other persons who participated in the meeting, as well as any primary documents presented at the general meeting. It shall consist of the full text of the collective decisions put to a vote and, for each of those decisions, the result of the votes cast.

(b) In the event of written consultation of the partners, the Chairman or an agent designated by him for that purpose shall send to each partner, by any appropriate means, the collective draft decision put to a vote of the partners. That draft shall be accompanied by any reports required by current statutory or regulatory provisions. The partner, or any person enlisted by him to represent him, shall have a period of fifteen days after the sending of the collective draft decision in which to cast his vote; if there is no vote by that partner or his representative within that time period, this partner shall be considered as having abstained.

The approval of the collective decision by a partner or his representative shall result from a confirmation of adoption sent by any written or electronic means to the Chairman or, on decision of the Chairman, to any other person of his choice indicated in advance by the Chairman to the partners.

A collective decision shall be validly adopted by written consultation if it is adopted by a number of partners representing at least half of the capital stock of the Company, unless that decision must be adopted unanimously by the partners pursuant to current statutory provisions.

Any collective decision adopted by written consultation of the partners shall be recorded in consultation minutes drawn up and signed by the Chairman, and a partner who participated in the written consultation procedure or was represented therein or, if that partner is a legal entity, by its legal representative or the agent authorized thereby for that purpose. Those minutes shall state the dates of advance sending or submission of the collective draft decision. It shall specify the identity of the partners who participated in the written consultation procedure, indicating the number of shares respectively held by each one of them and, if necessary, the identity of their respective representatives. It shall consist of the full text of the collective decisions thus voted on and, for each of those decisions, the result of the votes cast.

(c) The collective decisions of partners may also be adopted by unanimous consent of the partners expressed in writing in a separate act. Each partner may be represented by any person of his choice in the expression of his assent.

Article 19 — MINUTES OF COLLECTIVE DECISIONS

The minutes shall be transcribed into a register of decisions of the partners, kept by the company, whose numbered pages shall be marked and initialed. In the event of consent of the partners expressed in writing in a separate instrument, that separate instrument shall be transcribed into this register and serve as the minutes.

Copies or extracts of collective decisions of the partners shall be validly certified true by the Chairman or any other person authorized for that purpose by the Chairman.

During the liquidation, their certification shall be validly effected by a single liquidator.

Article 20 — UNILATERAL DECISIONS OF THE SOLE PARTNER

The provisions of articles 17, 18 and 19 of these bylaws shall not apply when the Company is comprised of only a sole partner.

If the Company is comprised of only a sole partner, the decisions of the sole partner shall be made unilaterally by him. The sole partner may not delegate his powers. His decisions shall be recorded in writing and shall bear his signature or, if the sole partner is a legal entity, the signature of its legal representative or the signature of the agent that the legal representative has authorized for this purpose. These decisions shall be indexed in the register of the decisions of the partners stipulated in article 19, whose numbered pages shall be marked and initialed. The copies or extracts of the unilateral decisions of the sole partner shall be validly certified true by the Chairman or the person authorized by him for that purpose. During the liquidation, their certification shall be validly done by only one liquidator.

The sole partner may make his decisions at his own initiative or upon proposal from the Chairman.

Article 21 — APPLICABLE PROVISIONS IN THE EVENT OF A WORKS COUNCIL

If there is a works council, any decision within the powers that are to be exercised collectively by the partners pursuant to current statutory provisions or, if the Company is comprised of only a sole partner, obligatorily under the jurisdiction of the sole partner pursuant to current statutory provisions, may be made by the partners or the sole partner only after the Chairman calls a meeting of the members of the works council indicated in the first section of article L. 432-6 of the labor code, and the partner possessing at least one half of the shares composing the capital stock of the Company. That notice shall be sent in writing to the secretary of the works council, and to the partner possessing at least half of the shares composing the capital stock of the Company, at least three days in

advance and shall specify the date, time and place of the meeting. That meeting shall be chaired by the Chairman.

Pursuant to the provisions of section two of article L. 432-6-1 1 of the labor code, the members of the works council present at this meeting may, during this meeting, send one or more draft written decisions within the powers to be exercised collectively by the partners or under the jurisdiction of the sole partner. If the Company consists of several partners, the Chairman shall send to the partners by any means each draft decision, if any, thus sent by the works council, and the partners shall rule collectively on that draft under the conditions stipulated in (a) (b) or (c) of article 18 of these bylaws. If the Company is comprised of only a sole partner, the sole partner shall rule, under the conditions stipulated in article 20 of these bylaws, on each draft decision, if any, thus sent by the works council.

If a decision submitted by the Chairman to the collective of partners requires unanimity of the partners pursuant to current statutory provisions, or if a decision submitted by the Chairman to the sole partner would have required unanimity of the partners pursuant to current statutory provisions if the Company had consisted of several partners, the members of the works council present at this meeting must be heard, at that meeting, at their request on this draft decision.

TITLE V
FISCAL YEAR — ANNUAL FINANCIAL STATEMENTS
ALLOCATION AND DISTRIBUTION OF THE PROFITS

Article 22 — FISCAL YEAR

The fiscal year shall commence on January 1st and end on December 31st of each calendar year.

Article 23 — ANNUAL FINANCIAL STATEMENTS

At the close of each financial year, the Chairman shall draw up the inventory and the annual financial statements in accordance with current statutory and regulatory provisions.

Article 24 — PROFITS — DISTRIBUTION

The profit for the year, as appears on the income statement, shall consist of the difference between the income and the expenses of the fiscal year, after deduction of depreciation and the provisions.

From the year’s profit, minus any previous losses, shall be withdrawn at least one twentieth allocated to the legal reserve fund. That withdrawal shall cease to be obligatory if the amount of the legal reserve fund reaches one tenth of the amount of the capital

stock. That withdrawal shall resume if, for any reason, the amount of the legal reserve fund becomes less than one tenth of the amount of the capital stock.

The distributable profit shall consist of the profit for the year, minus previous losses and amounts posted to reserves pursuant to law and plus retained earnings. From that distributable profit, the following shall be drawn successively, by collective decision of the partners or unilateral decision with the sole partner:

1. an amount posted to all ordinary, extraordinary or special reserves;

2. the portion allotted to the partners or to the sole partner in the form of dividend;

3. the balance, carried forward to the following fiscal year.

The partners may decide to distribute sums drawn from the reserves that they have at their disposal. If the Company is comprised of only a sole partner, the decision shall be made by the sole partner. In all cases, the decision shall expressly indicate the reserve line items from which the withdrawals are being made. However, dividends shall be distributed by priority from the distributable profit of the fiscal year.

Except in the event of reduction in capital, no distribution may be made to the partners or to the sole partner when the stockholders' equity is, or would become following such a distribution, lower than the amount of the capital plus reserves that the law does not allow to be distributed.

The losses, if there are any, after approval of the financial statements, shall be carried forward to be charged against subsequent profits until cleared.

Each year, the annual financial statements and the allocation of earnings of the fiscal year just ended shall be the object, within the time periods required by current statutory and regulatory provisions, of a collective decision of the partners or, if the Company is comprised of only a sole partner, a unilateral decision of the sole partner. The methods of payment of dividends shall be set by collective decision of the partners or, if the Company is comprised of only a sole partner, by unilateral decision of the sole partner.

When a balance sheet drawn up during or the end of the fiscal year and certified by an independent auditor shows that the Company—since the close of the preceding fiscal year, after constitution of the necessary depreciation and provisions, minus any previous losses and sums to be placed in reserve pursuant to law or the bylaws and considering the profit carried forward—has made a profit, the Chairman may decide to distribute an interim dividend before approval of the financial statements of the fiscal year. The amount of that interim dividend may not exceed the amount of the profits thus determined.

TITLE VI
DISSOLUTION — LIQUIDATION

Article 25 — DISSOLUTION — LIQUIDATION

Barring the cases of dissolution stipulated by law and barring proper extension, the dissolution of the Company shall occur at the expiration of the term set by the bylaws or following a collective decision of the partners. If the Company is comprised of only a sole partner, the dissolution of the Company may also occur by unilateral decision of the sole partner.

One or more liquidators shall be appointed by the partners or, if the Company is comprised of only a sole partner, by the sole partner.

The liquidator shall represent the Company. All the assets of the company shall be sold off and the liabilities paid off by the liquidator, who shall be vested with the broadest powers. He shall then distribute the available balance.

The liquidator may be authorized by the partners or the sole partner to continue the business in progress or to undertake new business for the needs of the liquidation.

The net assets remaining after redemption of the par value of the shares shall also be shared among all the shares.

TITLE VII
DISPUTES

Article 26 — DISPUTES

All disputes that rise during the course of the Company or its liquidation among the partners, or between them and the Company or the Chairman, concerning the interpretation or the performance of these bylaws or, more generally, concerning the company business shall be submitted to the jurisdiction of the proper courts of the location of the Company’s head office.

For this purpose, all partners must elect domicile in the venue of the proper court of the location of the Company’s head office and all summonses and notices shall be duly served at that domicile. If no domicile is elected, the summonses and notices shall be validly served at with Office of the Public Prosecutor at the Court of First Instance of the location of the Company’s head office.

Exhibit 3.49

PRIVATE NOTARY OFFICE

OF THE

MADEIRA [Portugal] FREE TRADE ZONE

Praça de Cristovão Colombo,
Rua da Alfândega, 78
9000 FUNCHAL

Tel.: 291232562 Fax 291232575

I, the Undersigned,

CERTIFY

That this photocopy is in conformity with the original and was extracted from the instrument recorded on pages FORTY-NINE to FIFTY-ONE of the ledger for sundry instruments, [No.] THREE HUNDRED TWENTY-FIVE — A, of this Notary Office.

It consists of FIVE pages, duly numbered and initialed by me, who affixed the seal of this Notary Office.

This certification is exempt from fees pursuant to Article 8 of Decree-Law 234/88 of July 5.

PRIVATE NOTARY OFFICE OF THE MADEIRA FREE TRADE ZONE, August twenty-sixth, two thousand four.

First Assistant

/s/ Ivone Marta Gomes Andrade

(Ivone Marta Gomes Andrade)

Reg. under No. 1028 [initials]

CORPORATE CHARTER

On the twenty-fifth day of August of the year two thousand four, at the Private Notary Office of the Madeira Free Trade Zone, the grantor, whom I know, appeared before me, Licentiate Ana Maria Moreira Vela Nóbrega Araújo, Notary:

ROSA MARIA DE CANHA ORNELAS FRASÃO AFONSO, single, of legal age, a resident of the Parish of Santo António, Council of Funchal, with professional domicile at Avenida do Infante, No. 50, Funchal, who grants in representation, in her capacity as substitute legal representative, of:

"MERRYDOWN LIMITED," NIPC [Corporate Taxpayer No.] 980 031 060, a corporation with headquarters in Zetlands, Nevis, registered with the Nevis Trade Registry under number twenty thousand, one hundred ninety-three; and

"**MEADOWSIDE MANAGEMENT LIMITED**," NIPC 980 114 144, a corporation with headquarters in Zetlands, Nevis, registered with the Nevis Trade Registry under number twenty-thousand, one hundred ninety-four, in accordance with the certified photocopies of two powers of attorney archived in this Notary Office, under numbers 96 and 80 on pages 425 and 292, two packets of documents corresponding to ledgers numbered 258-A and 260-A, respectively, and substitution archived under number 59 on page 253 of the packet of documents corresponding to the ledger numbered 272-A of this Notary Office.

And said:

That through this instrument, the companies she represents hereby enter into an agreement for a Portuguese commercial joint-stock corporation [*sociedade comercial por quotas*], to operate solely within the institutional environment of the Madeira Free Trade Zone, which shall be valid pursuant to the terms contained in the following clauses:

ONE

The company adopts the name "**BELLONA — TRADING INTERNACIONAL LDA**," and maintains its headquarters at Avenida do Infante, number fifty, Parish of Sé, Council of Funchal.

PARAGRAPH ONE — The company's lifetime shall be indeterminate and it shall commence its activities on this day.

PARAGRAPH TWO — Management may change its corporate headquarters within the same council or to a neighboring council.

PARAGRAPH THREE — The company may create branches, agencies, delegations or other local forms of representation on national or foreign territory.

TWO

The company's purpose is the following: *Import and export trade; Provision of economic consulting services; information technology, in the creation and development of international companies; marketing, advertising; purchase of properties for resale; management of its own securities portfolio; acquisition, disposal and temporary or permanent operation, for any purpose, of intellectual or industrial property rights, including technical assistance services; commissions and consignments.*

THREE

The company may also subscribe, acquire, dispose of and encumber interests in other companies, even when regulated by special laws, even if the purpose of those companies has no direct or indirect relationship with its own.

FOUR

The share capital, completely paid-up in cash, is **FIVE THOUSAND EUROS** and corresponds to a total of two equal shares with par values of two thousand, five hundred euros, belonging to each of the shareholders, "Merrydown Limited" and "Meadowside Management Limited."

FIVE

By resolution of the General Shareholders' Meeting, the company is authorized to request additional payments up to a maximum equivalent to one thousand times the share capital.

SIX

The splitting and assignment of shares is free, even to outside parties.

SEVEN

Advances on earnings may be made to the shareholders during any fiscal year, pursuant to the Commercial Corporations Code.

EIGHT

The company's management and representation shall fall to the managers, whether shareholders or not, who were appointed as such at the General Shareholders' Meeting.

PARAGRAPH ONE — The signature of one manager is sufficient to bind the company.

PARAGRAPH TWO — Management may dispose of and encumber real assets and dispose of, encumber and lease any establishments.

PARAGRAPH THREE — Managers may, without shareholder consent, exercise, on their own account or that of another party, any activity, regardless of whether it is in competition with that of the company.

PARAGRAPH FOUR — The following managers are hereby appointed: Rosa Maria de Canha Ornelas Frazão Afonso, single, of legal age, and Roberto Luiz

Homem, divorced, both with professional domicile at Avenida do Infante, No. 50, Funchal, who shall receive no compensation for performing their respective duties.

NINE

General Shareholders' Meetings shall be called by means of a registered letter, issued a minimum of fifteen days in advance.

TEN

Shareholders may be represented at General Shareholders' Meetings by any persons freely chosen by them.

TEMPORARY CLAUSE

ONE — The company is authorized to immediately commence its business and hereby assumes all rights and obligations deriving from legal business entered into in its name by management, prior to the final recording of the respective corporate agreement, pursuant to Article 19 and other applicable provisions of the Commercial Corporations Code.

TWO — Any of the managers named above is hereby authorized to undertake the raising of share capital, deposited at "BANIF — Banco Internacional do Funchal," Foreign Financial Branch, even prior to the final recording of the corporate charter, in order to be able to then commence corporate activities.

Archive:

Certification issued by the Regional Secretariat of Planning and Finance, verifying that the company is authorized to exercise its activity in the Madeira Free Trade Zone, by order of the Regional Secretariat of Planning and Finance dated December 6, 2000 and pursuant to the order of the

Regional Secretariat of Planning and Finance of December 14, 2000, received at these offices on May 28, 2004, archived under No. 54, Page 211, in the packet of documents corresponding to ledger 315-A of this Notary Office.

I was shown: Certificate of admissibility of signature used, issued by the National Registry of Legal Entities on August 9, 2004;

Provisional Legal Entity Identification Card No. P511 167 679 with the mention of (Madeira Free Trade Zone); and

Document attesting to the deposit of the capital stock, issued by "BANIF — Banco Internacional do Funchal," Foreign Financial Branch, August 24 of this year.

I advised the grantor as to the necessity of filing the registration of this record within three months of this date, with the corresponding Registry.

I explained the content of this instrument, having been dispensed of its reading by the grantor.

Notary

Exempt from fees: Art. 8, Decree-Law 234/88 of 5/07

Exempt from seal: Art. 33, No. 11 E.B.F.

Statistics: Series: JA File No. 000762 Annotation No. 02

Registered under No. 937

Public Ministry Services
District of Funchal

APOSTILLE

(Hague Convention of October 5, 1961)

1. Country: PORTUGAL
2. This public instrument
3. Was signed by **IVONE MARTA GOMES ANDRADE**
4. Acting in the capacity of **FIRST ASSISTANT**
   And bearing the seal or stamp of
   PRIVATE NOTARY OFFICE OF THE MADEIRA FREE TRADE ZONE

Acknowledged

5. At Funchal on **9/1/04**
6. By the Assistant Attorney General [*Procurador Geral Adjunto*] of the Republic
7. Under No. **4638**
8. Seal/stamp

9. Signature

/s/ João Maria Marques de Freitas
(JOÃO MARIA MARQUES DE FREITAS)

FREE TRADE ZONE OF MADEIRA

Funchal, 08/07/24

No. 07

UPDATED CORPORATE CHARTER

ONE

The company adopts the name "**NOVELIS MADEIRA, UNIPESSOAL, LDA**," and maintains its headquarters at Avenida do Infante, Number fifty, Parish of Sé, Council of Funchal.

PARAGRAPH ONE — The company's lifetime shall be indeterminate and it shall commence its activities on this day.

PARAGRAPH TWO — Management may change its corporate headquarters within the same council or to a neighboring council.

PARAGRAPH THREE — The company may create branches, agencies, delegations or other local forms of representation on national or foreign territory.

TWO

The company's purpose is the following: *Import and export and engaging in any other domestic or international trade activities; Provision of economic consulting services; information technology, in the creation and development of international companies; marketing, advertising; purchase of properties for resale; management of its own securities portfolio; acquisition, disposal and temporary or permanent operation, for any purpose, of intellectual or industrial property rights, including technical assistance services; commissions and consignments.*

THREE

The company may also subscribe, acquire, dispose of and encumber interests in other companies, even when regulated by special laws, even if the purpose of those companies has no direct or indirect relationship with its own.

[initials]

FOUR

The share capital, completely paid-up in cash, is FIVE THOUSAND EUROS and corresponds to a single share of equal par value, belonging to the shareholder “NOVELIS INC.”

FIVE

By resolution of the General Shareholders’ Meeting, the company is authorized to request additional payments up to a maximum equivalent to one thousand times the share capital.

SIX

The splitting and assignment of shares is free, even to outside parties.

SEVEN

Advances on earnings may be made to the shareholders during any fiscal year, pursuant to the Commercial Corporations Code.

EIGHT

The company’s management and representation shall fall to the managers, whether shareholders or not, who were appointed as such at the General Shareholders’ Meeting.

PARAGRAPH ONE — There are two groups of Managers: Group A and Group B, both with an unlimited number of Managers.

PARAGRAPH TWO — The Company may be bound by means of the single signature of one Manager from Group A or of one Manager from Group A together with one Manager from Group B.

PARAGRAPH THREE — Managers may, without shareholder consent, exercise, on their own account or that of another party, any activity, regardless of whether or not it is in competition with that of the company.

PARAGRAPH FOUR — By management resolution, real assets may be disposed of and encumbered, and any establishments disposed of, encumbered and leased.

PARAGRAPH FIVE — The following managers are hereby appointed from **Group A**: Mr. **Alexandre Moreira Martins de Almeida**, with professional domicile at Av. das Nações Unidas, 12.551 — 15th floor, CEP 04578-000, São Paulo, Brazil; Mr. **Nicholas Gerard William Madden**, with professional domicile at 3399 Peachtree Road NE, suite 1500, Atlanta, Georgia 30326, United States of America; Mr. **James Douglas Gunningham**, with professional domicile at Castle Works, Rogerstone, Newport, Gwent NP10 9YD, United Kingdom; and Mr. **Andreas Glapka**, with domicile at Baumgartenstrasse 12, 8118 Pfaffhausen, Switzerland; and from **Group B**: Mrs. **Rosa Maria de Canha Ornelas Frazão Afonso**, and Mr. **Roberto Luiz Homem**, both with professional domicile at Avenida do Infante, No. 50, Funchal, who shall receive no compensation for performing their respective duties.

NINE

General Shareholders' Meetings shall be called by means of a registered letter, issued a minimum of fifteen days in advance.

TEN

Shareholders may be represented at General Shareholders' Meetings by any persons freely chosen by them.

ELEVEN

The fiscal year shall begin on April first of each calendar year, and end on March thirty-first of each year.

Elisa Pontes Scozzai

Attorney

Funchal, July 24, 2008

Exhibit 4.12

NOVELIS INC.

11½% SENIOR NOTES DUE 2015

INDENTURE

Dated as of August 11, 2009

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee

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N.A. means Not Applicable.

Note: This Cross-Reference Table shall not, for any purpose, be deemed to be part of this Indenture.

This INDENTURE, dated as of August 11, 2009, is by and among Novelis Inc., a corporation organized under the laws of Canada, each Subsidiary Guarantor listed on the signature pages hereto and The Bank of New York Mellon Trust Company, N.A., as trustee (the "***Trustee***").

The Company, each Subsidiary Guarantor and the Trustee agree as follows for the benefit of each other and for the equal and ratable benefit of the Holders of the Company's unsecured senior notes issued from time to time under this Indenture (the "***Notes***").

ARTICLE 1.

DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.01. **Definitions.**

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

"***144A Global Note***" means one or more Global Notes in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with and registered in the name of the Depositary or its nominee issued in an aggregate denominational amount equal to the outstanding principal amount of the Notes sold in reliance on Rule 144A.

"***Additional Assets***" means:

(a) any Property (other than cash, Cash Equivalents and securities) to be owned by the Company or any Restricted Subsidiary and used in a Related Business; or

(b) Capital Stock of a Person that becomes a Restricted Subsidiary as a result of the acquisition of such Capital Stock by the Company or another Restricted Subsidiary from any Person other than the Company or an Affiliate of the Company; *provided, however*, that, in the case of clause (b), such Restricted Subsidiary is primarily engaged in a Related Business.

"***Additional Interest***" has the meaning set forth in the Registration Rights Agreement relating to amounts to be paid in the event the Company fails to satisfy certain conditions set forth therein. For all purposes of this Indenture, the term "interest" shall include Additional Interest, if any, with respect to the Notes.

"***Additional Notes***" means any Notes (other than Initial Notes and Notes issued under Sections 2.06, 2.07, 2.10, 3.06 and 3.09) issued under this Indenture in accordance with Sections 2.02 and 2.15, as part of the same series as the Initial Notes or as an additional series.

"***Affiliate***" of any specified Person means:

(a) any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person; or

(b) any other Person who is a director or officer of:

(1) such specified Person;

(2) any Subsidiary of such specified Person; or

(3) any Person described in clause (a) above.

For the purposes of this definition, "control," when used with respect to any Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership

of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing. For purposes of Sections 4.12 and 4.14 and the definition of "Additional Assets" only, "Affiliate" shall also mean any beneficial owner of shares representing 10% or more of the total voting power of the Voting Stock (on a fully diluted basis) of the Company and any Person who would be an Affiliate of any such beneficial owner pursuant to the first sentence hereof.

"***Agent***" means any Registrar, co-registrar, Paying Agent or additional paying agent.

"***Alternative Currency***" means any lawful currency other than U.S. dollars that is freely transferable into U.S. dollars.

"***Applicable Procedures***" means, with respect to any transfer, redemption or exchange of or for beneficial interests in any Global Note, the rules and procedures of the Depositary, Euroclear and Clearstream that apply to such transfer, redemption or exchange.

"***Approved Member States***" means Belgium, France, Germany, Italy, Luxembourg, The Netherlands, Spain, Sweden and the United Kingdom.

"***Asset Sale***" means any sale, lease, transfer, issuance or other disposition (or series of related sales, leases, transfers, issuances or dispositions) by the Company or any Restricted Subsidiary, including any disposition by means of a merger, consolidation or similar transaction (each referred to for the purposes of this definition as a "disposition"), of the following:

(a) any shares of Capital Stock of a Restricted Subsidiary (other than directors' qualifying shares); or

(b) any other Property of the Company or any Restricted Subsidiary outside of the ordinary course of business of the Company or such Restricted Subsidiary;

other than, in the case of clause (a) or (b) above:

(1) any disposition by a Restricted Subsidiary to the Company or by the Company or a Restricted Subsidiary to a Wholly Owned Restricted Subsidiary,

(2) any disposition that constitutes a Permitted Investment or Restricted Payment permitted by Section 4.10;

(3) any disposition effected in compliance with the first or second paragraph of Section 5.01;

(4) any sale of accounts receivable and related assets (including contract rights) of the type specified in the definition of "Qualified Securitization Transaction" to or by a Securitization Entity for the fair market value thereof;

(5) any sale of assets pursuant to a Sale and Leaseback Transaction, *provided* that neither the Company nor any Restricted Subsidiary shall, nor shall they permit any of their respective Subsidiaries to, become or remain liable as lessee or guarantor or other surety with respect to any operating lease, unless the aggregate amount of all rents paid or accrued under all such operating leases does not exceed $25.0 million in any fiscal year;

(6) any sale or disposition of cash or Cash Equivalents;

(7) the granting of Liens not prohibited by this Indenture; and

(8) any disposition in a single transaction or a series of related transactions of assets for aggregate consideration of less than $10.0 million.

"***Attributable Debt***" in respect of a Sale and Leaseback Transaction means, at any date of determination,

(a) if such Sale and Leaseback Transaction is a Capital Lease Obligation, the amount of Debt represented thereby according to the definition of "Capital Lease Obligations;" and

(b) in all other instances, the greater of:

(1) the Fair Market Value of the Property subject to such Sale and Leaseback Transaction; and

(2) the present value (discounted at the interest rate borne by the Senior Notes, compounded annually) of the total obligations of the lessee for rental payments during the remaining term of the lease included in such Sale and Leaseback Transaction (including any period for which such lease has been extended).

"***Average Life***" means, as of any date of determination, with respect to any Debt or Preferred Stock, the quotient obtained by dividing:

(a) the sum of the product of the numbers of years (rounded to the nearest one-twelfth of one year) from the date of determination to the dates of each successive scheduled principal payment of such Debt or redemption or similar payment with respect to such Preferred Stock multiplied by the amount of such payment by

(b) the sum of all such payments.

"***Bankruptcy Law***" means Title 11, U.S. Code or any other U.S. federal or state law relating to bankruptcy, insolvency, winding up, liquidation, receivership, reorganization or relief of debtors, or the Bankruptcy and Insolvency Act (Canada), the Companies' Creditors Arrangement Act (Canada) or any other Canadian federal or provincial law relating to, or the law of any other jurisdiction relating to, bankruptcy, insolvency, winding up, liquidation, receivership, reorganization or relief of debtors.

"***Board of Directors***" means the board of directors of the Company.

"***Board Resolution***" of a Person means a copy of a resolution certified by the secretary or an assistant secretary (or individual performing comparable duties) of the applicable Person to have been duly adopted by the board of directors of such Person and to be in full force and effect on the date of such certification.

"***Business Day***" means any day other than a Legal Holiday.

"***Canadian Restricted Subsidiary***" means any Restricted Subsidiary that is organized under the laws of Canada or any province thereof.

"***Capital Lease Obligations***" means any obligation under a lease that is required to be capitalized for financial reporting purposes in accordance with GAAP; and the amount of Debt represented by such obligation shall be the capitalized amount of such obligations determined in accordance with GAAP; and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be terminated by the lessee without payment of a penalty. For purposes of Section 4.11, a Capital Lease Obligation shall be deemed secured by a Lien on the Property being leased.

"***Capital Stock***" means, with respect to any Person, any shares or other equivalents (however designated) of any class of corporate stock or partnership interests or any other participations, rights, warrants,

options or other interests in the nature of an equity interest in such Person, including Preferred Stock, but excluding any debt security convertible or exchangeable into such equity interest.

"***Capital Stock Equivalents***" means all securities convertible into or exchangeable for Capital Stock and all warrants, options or other rights to purchase or subscribe for any Capital Stock, whether or not presently convertible, exchangeable or exercisable.

"***Capital Stock Sale Proceeds***" means the aggregate cash proceeds received by the Company from the issuance or sale (other than to a Subsidiary of the Company or an employee stock ownership plan or trust established by the Company or any such Subsidiary for the benefit of their employees) by the Company of its Capital Stock (other than Disqualified Stock) after February 3, 2005, net of attorneys' fees, accountants' fees, underwriters' or placement agents' fees, discounts or commissions and brokerage, consultant and other fees and expenses actually incurred in connection with such issuance or sale and net of Taxes paid or payable as a result thereof.

"***Cash Equivalents***" means any of the following:

(a) securities issued or fully guaranteed or insured by the federal government of the United States, Canada, Switzerland, any Approved Member State or any agency of the foregoing maturing within 365 days of the date of acquisition thereof;

(b) time deposit accounts, certificates of deposit, eurocurrency time deposits, overnight bank deposits, money market deposits and bankers' acceptances maturing within 365 days of the date of acquisition thereof and issued by a bank or trust company organized under the laws of Canada or any province thereof, the United States, any state thereof, the District of Columbia, any non-U.S. bank, or its branches or agencies (fully protected against currency fluctuations) that, at the time of acquisition, is rated at least "A-1" by S&P or "P-1" by Moody's (or such similar equivalent rating by at least one "nationally recognized statistical rating organization" (as defined in Rule 436 under the Securities Act)) or the "R-1" category by the Dominion Bond Rating Service Limited and has capital, surplus and undivided profits aggregating in excess of $500 million;

(c) shares of any money market fund that (i) has at least 95% of its assets invested continuously in the types of investments referred to in clauses (a) and (b) above, (ii) has net assets that exceed $500 million and (iii) is rated at least "A-1" by S&P or "P-1" by Moody's;

(d) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (a) entered into with:

(1) a bank meeting the qualifications described in clause (b) above, or

(2) any primary government securities dealer reporting to the Market Reports Division of the Federal Reserve Bank of New York;

(e) commercial paper issued by a corporation (other than an Affiliate of the Company) with a rating at the time as of which any Investment therein is made of "P-1" (or higher) according to Moody's or "A-1" (or higher) according to S&P (or such similar equivalent rating by at least one "nationally recognized statistical rating organization" (as defined in Rule 436 under the Securities Act)) or in the "R-1" category by the Dominion Bond Rating Service Limited; and

(f) direct obligations (or certificates representing an ownership interest in such obligations) of any state of the United States or the District of Columbia or any political subdivision or instrumentality thereof (including any agency or instrumentality thereof) or any province of Canada (including any agency or instrumentality thereof) for the payment of which the

full faith and credit of such state or province is pledged and maturing within 365 days of the date of acquisition thereof, *provided* that the long-term debt of such state, province or political subdivision is rated, in the case of a state of the United States, one of the two highest ratings from Moody's or S&P (or such similar equivalent rating by at least one "nationally recognized statistical rating organization" (as defined in Rule 436 under the Securities Act)), or in the "R-1" category by the Dominion Bond Rating Service Limited;

provided, *however*, that, to the extent any cash is generated through operations in a jurisdiction outside of the United States, Canada, Switzerland or an Approved Member State, such cash may be retained and invested in obligations of the type described in clauses (a), (b) and (e) of this definition to the extent that such obligations have a credit rating equal to the sovereign rating of such jurisdiction.

"***Change of Control***" means the occurrence of any of the following events:

(a) any "person" or "group" (as such terms are used in Section 13(d) and 14(d) of the Exchange Act or any successor of the foregoing), including any group acting for the purpose of acquiring, holding, voting or disposing of securities within the meaning of Rule 13d-5(b)(1) under the Exchange Act, other than a Permitted Holder, becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act, except that a person will be deemed to have "beneficial ownership" of all shares that any such person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of 50% or more of the total voting power of the Voting Stock of the Company (for purposes of this clause (a), such person or group shall be deemed to beneficially own any Voting Stock of a corporation held by any other corporation (the "parent corporation") so long as such person or group beneficially owns, directly or indirectly, in the aggregate at least a majority of the total voting power of the Voting Stock of such parent corporation); or

(b) the sale, transfer, assignment, lease, conveyance or other disposition, directly or indirectly, of all or substantially all the Property of the Company and the Restricted Subsidiaries, considered as a whole (other than a disposition of such Property as an entirety or virtually as an entirety to a Wholly Owned Restricted Subsidiary), shall have occurred, or the Company merges, consolidates or amalgamates with or into any other Person or any other Person merges, consolidates or amalgamates with or into the Company, in any such event pursuant to a transaction in which the outstanding Voting Stock of the Company is reclassified into or exchanged for cash, securities or other Property, other than any such transaction where:

(1) the outstanding Voting Stock of the Company is reclassified into or exchanged for other Voting Stock of the Company or for Voting Stock of the Surviving Person; and

(2) the holders of the Voting Stock of the Company immediately prior to such transaction own, directly or indirectly, not less than a majority of the Voting Stock of the Company or the Surviving Person immediately after such transaction; or

(c) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board of Directors (together with any new directors whose election or appointment by such Board or whose nomination for election by the shareholders of the Company was approved by a vote of not less than three-fourths of the directors then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute at least a majority of the Board of Directors then in office; or

(d) the shareholders of the Company shall have approved any plan of liquidation or dissolution of the Company.

"***Clearstream***" means Clearstream Banking S.A. and any successor thereto.

"***Code***" means the U.S. Internal Revenue Code of 1986, as amended.

"***Commission***" means the Securities and Exchange Commission.

"***Commodity Price Protection Agreement***" means, in respect of a Person, any forward contract, commodity swap agreement, commodity option agreement or other similar agreement or arrangement designed to protect such Person against fluctuations in commodity prices.

"***Company***" means Novelis Inc. and any successor thereto.

"***Comparable Treasury Issue***" means the United States treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the Notes that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes.

"***Comparable Treasury Price***" means, with respect to any redemption date:

(a) the average of the bid and ask prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) on the third business day preceding such redemption date, as set forth in the most recently published statistical release designated "H.15(519)" (or any successor release) published by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States treasury securities adjusted to constant maturity under the caption "Treasury Constant Maturities;" or

(b) if such release (or any successor release) is not published or does not contain such prices on such business day, the average of the Reference Treasury Dealer Quotations for such redemption date.

"***Consolidated Current Liabilities***" means, as of any date of determination, the aggregate amount of liabilities of the Company and its consolidated Restricted Subsidiaries which may properly be classified as current liabilities (including taxes accrued as estimated), after eliminating:

(a) all intercompany items between the Company and any Restricted Subsidiary or between Restricted Subsidiaries; and

(b) all current maturities of long-term Debt.

"***Consolidated Interest Coverage Ratio***" means, as of any date of determination, the ratio of:

(a) the aggregate amount of EBITDA for the most recent four consecutive fiscal quarters ending at least 45 days prior to such determination date to

(b) Consolidated Interest Expense for such four fiscal quarters;

provided, *however*, that:

(1) if

(A) since the beginning of such period the Company or any Restricted Subsidiary has Incurred any Debt that remains outstanding or Repaid any Debt; or

(B) the transaction giving rise to the need to calculate the Consolidated Interest Coverage Ratio is an Incurrence or Repayment of Debt,

Consolidated Interest Expense for such period shall be calculated after giving effect on a pro forma basis to such Incurrence or Repayment as if such Debt was Incurred or Repaid on the first day of such period, *provided* that, in the event of any such Repayment of Debt, EBITDA for such period shall be calculated as if the Company or such Restricted Subsidiary had not earned any interest income actually earned during such period in respect of the funds used to Repay such Debt, and

(2) if

(A) since the beginning of such period the Company or any Restricted Subsidiary shall have made any Asset Sale or an Investment (by merger or otherwise) in any Restricted Subsidiary (or any Person which becomes a Restricted Subsidiary) or an acquisition of Property which constitutes all or substantially all of an operating unit of a business;

(B) the transaction giving rise to the need to calculate the Consolidated Interest Coverage Ratio is such an Asset Sale, Investment or acquisition; or

(C) since the beginning of such period any Person (that subsequently became a Restricted Subsidiary or was merged with or into the Company or any Restricted Subsidiary since the beginning of such period) shall have made such an Asset Sale, Investment or acquisition,

then EBITDA for such period shall be calculated after giving pro forma effect to such Asset Sale, Investment or acquisition as if such Asset Sale, Investment or acquisition had occurred on the first day of such period.

If any Debt bears a floating rate of interest and is being given *pro forma* effect, the interest expense on such Debt shall be calculated as if the base interest rate in effect for such floating rate of interest on the date of determination had been the applicable base interest rate for the entire period (taking into account any Interest Rate Agreement applicable to such Debt if such Interest Rate Agreement has a remaining term in excess of 12 months). In the event the Capital Stock of any Restricted Subsidiary is sold during the period, the Company shall be deemed, for purposes of clause (1) above, to have Repaid during such period the Debt of such Restricted Subsidiary to the extent the Company and its continuing Restricted Subsidiaries are no longer liable for such Debt after such sale.

"***Consolidated Interest Expense***" means, for any period, the total interest expense of the Company and its consolidated Restricted Subsidiaries, plus, to the extent not included in such total interest expense, and to the extent Incurred by the Company or its Restricted Subsidiaries,

(a) interest expense attributable to leases constituting part of a Sale and Leaseback Transaction and to Capital Lease Obligations;

(b) amortization of debt discount and debt issuance cost, including commitment fees,

(c) capitalized interest;

(d) non-cash interest expense;

(e) commissions, discounts and other fees and charges owed with respect to letters of credit and banker's acceptance financing;

(f) net costs associated with Hedging Obligations (including amortization of fees);

(g) Disqualified Stock Dividends;

(h) Preferred Stock Dividends;

(i) interest Incurred in connection with Investments in discontinued operations;

(j) interest accruing on any Debt of any other Person to the extent such Debt is Guaranteed by the Company or any Restricted Subsidiary; and

(k) the cash contributions to any employee stock ownership plan or similar trust to the extent such contributions are used by such plan or trust to pay interest or fees to any Person (other than the Company) in connection with Debt Incurred by such plan or trust.

"***Consolidated Net Income***" means, for any period, the net income (loss) of the Company and its consolidated Restricted Subsidiaries; *provided, however*, that there shall not be included in such Consolidated Net Income:

(a) any net income (loss) of any Person (other than the Company) if such Person is not a Restricted Subsidiary, except that:

(1) subject to the exclusion contained in clause (c) below, equity of the Company and its consolidated Restricted Subsidiaries in the net income of any such Person for such period shall be included in such Consolidated Net Income up to the aggregate amount of cash distributed by such Person during such period to the Company or a Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend or other distribution to a Restricted Subsidiary, to the limitations contained in clause (b) below); and

(2) the equity of the Company and its consolidated Restricted Subsidiaries in a net loss of any such Person other than an Unrestricted Subsidiary for such period shall be included in determining such Consolidated Net Income;

(b) any net income (loss) of any Restricted Subsidiary if such Restricted Subsidiary is subject to restrictions, directly or indirectly, on the payment of dividends or the making of distributions, directly or indirectly, to the Company, except that:

(1) subject to the exclusion contained in clause (c) below, the equity of the Company and its consolidated Restricted Subsidiaries in the net income of any such Restricted Subsidiary for such period shall be included in such Consolidated Net Income up to the aggregate amount of cash distributed by such Restricted Subsidiary during such period to the Company or another Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend or other distribution to another Restricted Subsidiary, to the limitation contained in this clause); and

(2) the equity of the Company and its consolidated Restricted Subsidiaries in a net loss of any such Restricted Subsidiary for such period shall be included in determining such Consolidated Net Income;

(c) any gain or loss realized upon the sale or other disposition of any Property of the Company or any of its consolidated Subsidiaries (including pursuant to any Sale and Leaseback Transaction) that is not sold or otherwise disposed of in the ordinary course of business (*provided* that sales or other dispositions of assets in connection with any Qualified Securitization Transaction shall be deemed to be in the ordinary course);

(d) any extraordinary gain or loss;

(e) the cumulative effect of a change in accounting principles; and

(f) any non-cash compensation expense realized for grants of performance shares, stock options or other rights to officers, directors and employees of the Company or any Restricted Subsidiary, *provided* that such shares, options or other rights can be redeemed at the option of the holder only for Capital Stock of the Company (other than Disqualified Stock).

Notwithstanding the foregoing, for purposes of Section 4.10 only, there shall be excluded from Consolidated Net Income any dividends, repayments of loans or advances or other transfers of Property from

Unrestricted Subsidiaries to the Company or a Restricted Subsidiary to the extent such dividends, repayments or transfers increase the amount of Restricted Payments permitted under such covenant pursuant to clause (c)(4) thereof.

"***Consolidated Net Tangible Assets***" means, as of any date of determination, the sum of the amounts that would appear on a consolidated balance sheet of the Company and its consolidated Restricted Subsidiaries as the total assets (less accumulated depreciation and amortization, allowances for doubtful receivables, other applicable reserves and other properly deductible items) of the Company and its Restricted Subsidiaries, after giving effect to purchase accounting and after deducting therefrom Consolidated Current Liabilities and, to the extent otherwise included, the amounts of (without duplication):

(a) the excess of cost over fair market value of assets or businesses acquired;

(b) any revaluation or other write-up in book value of assets subsequent to December 31, 2004 as a result of a change in the method of valuation in accordance with GAAP;

(c) unamortized debt discount and expenses and other unamortized deferred charges, goodwill, patents, trademarks, service marks, trade names, copyrights, licenses, organization or developmental expenses and other intangible items;

(d) minority interests in consolidated Subsidiaries held by Persons other than the Company or any Restricted Subsidiary;

(e) treasury stock;

(f) cash or securities set aside and held in a sinking or other analogous fund established for the purpose of redemption or other retirement of Capital Stock to the extent such obligation is not reflected in Consolidated Current Liabilities; and

(g) Investments in and assets of Unrestricted Subsidiaries.

"***Corporate Trust Office of the Trustee***" shall be at the address of the Trustee specified in Section 12.02, or such other address as to which the Trustee may give notice to the Company.

"***Credit Facilities***" means, with respect to the Company or any Restricted Subsidiary, one or more debt or commercial paper facilities with banks or other institutional lenders (including the Senior Secured Credit Facilities) or indentures, in each case, providing for revolving credit loans, term loans, receivables or inventory financing (including through the sale of receivables or inventory to such lenders or to special purpose, bankruptcy remote entities formed to borrow from such lenders against such receivables or inventory) or trade letters of credit, in each case together with any Refinancings thereof.

"***Currency Exchange Protection Agreement***" means, in respect of a Person, any foreign exchange contract, currency swap agreement, currency option or other similar agreement or arrangement designed to protect such Person against fluctuations in currency exchange rates.

"***Custodian***" means, with respect to the Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.03(c) as Custodian with respect to the Notes, and any and all successors thereto appointed as custodian hereunder and having become such pursuant to the applicable provisions of this Indenture.

"***Debt***" means, with respect to any Person on any date of determination (without duplication):

(a) the principal of and premium (if any) in respect of:

(1) debt of such Person for money borrowed; and

(2) debt evidenced by notes, debentures, bonds or other similar instruments for the payment of which such Person is responsible or liable;

(b) all Capital Lease Obligations of such Person and all Attributable Debt in respect of Sale and Leaseback Transactions entered into by such Person;

(c) all obligations of such Person representing the deferred purchase price of Property, all conditional sale obligations of such Person and all obligations of such Person under any title retention agreement (but excluding trade accounts payable arising in the ordinary course of business);

(d) all obligations of such Person for the reimbursement of any obligor on any letter of credit, banker's acceptance or similar credit transaction (other than obligations with respect to letters of credit securing obligations (other than obligations described in (a) through (c) above) entered into in the ordinary course of business of such Person to the extent such letters of credit are not drawn upon or, if and to the extent drawn upon, such drawing is reimbursed no later than the third business day following receipt by such Person of a demand for reimbursement following payment on the letter of credit);

(e) the amount of all obligations of such Person with respect to the Repayment of any Disqualified Stock or, with respect to any Subsidiary of such Person, any Preferred Stock (but excluding, in each case, any accrued dividends);

(f) all obligations of the type referred to in clauses (a) through (e) above of other Persons and all dividends of other Persons for the payment of which, in either case, such Person is responsible or liable, directly or indirectly, as obligor, guarantor or otherwise, including by means of any Guarantee;

(g) all obligations of the type referred to in clauses (a) through (f) above of other Persons secured by any Lien on any Property of such Person (whether or not such obligation is assumed by such Person), the amount of such obligation being deemed to be the lesser of the Fair Market Value of such Property and the amount of the obligation so secured; and

(h) to the extent not otherwise included in this definition, Hedging Obligations of such Person.

The amount of Debt of any Person at any date shall be the outstanding balance, or the accreted value of such Debt in the case of Debt issued with original issue discount, at such date of all unconditional obligations as described above and the maximum liability, upon the occurrence of the contingency giving rise to the obligation, of any contingent obligations at such date. The amount of Debt represented by a Hedging Obligation shall be equal to:

(1) zero if such Hedging Obligation has been Incurred pursuant to clause (f), (g) or (h) of the second paragraph of Section 4.09; or

(2) the notional amount of such Hedging Obligation if not Incurred pursuant to such clauses.

"***Default***" means any event which is, or after notice or passage of time or both would be, an Event of Default.

"***Definitive Note***" means a certificated Note registered in the name of the Holder thereof and issued in accordance with Section 2.06, in substantially the form of Exhibit A hereto except that such Note shall not bear the Global Note Legend and shall not have the "Schedule of Exchanges of Interests in the Global Note" attached thereto.

"***Depositary***" means, with respect to any Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.03(b) as the Depositary with respect to such Notes, and any and all

successors thereto appointed as depositary hereunder and having become such pursuant to the applicable provisions of this Indenture.

"***Disqualified Stock***" means any Capital Stock of the Company or any of its Restricted Subsidiaries that by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable, in either case at the option of the holder thereof) or otherwise:

(a) matures or is mandatorily redeemable pursuant to a sinking fund obligation or otherwise;

(b) is or may become redeemable or repurchaseable at the option of the holder thereof, in whole or in part; or

(c) is convertible or exchangeable at the option of the holder thereof for Debt or Disqualified Stock,

on or prior to, in the case of clause (a), (b) or (c), the first anniversary of the Stated Maturity of the Notes.

"***Disqualified Stock Dividends***" means all dividends with respect to Disqualified Stock of the Company held by Persons other than a Wholly Owned Restricted Subsidiary. The amount of any such dividend shall be equal to the quotient of such dividend divided by the difference between one and the maximum statutory federal income tax rate (expressed as a decimal number between 1 and 0) then applicable to the Company.

"***Distribution Compliance Period***" means the 40-day distribution compliance period set forth in Rule 903(b)(2)(ii) of Regulation S.

"***Dollar Equivalent***" of any amount means, at the time of determination thereof, (a) if such amount is expressed in U.S. dollars, such amount, (b) if such amount is expressed in an Alternative Currency, the equivalent of such amount in U.S. dollars determined by using the rate of exchange quoted by Credit Suisse Securities (USA) LLC in New York, New York at 11:00 a.m. (New York time) on the date of determination (or, if such date is not a Business Day, the last Business Day prior thereto) to prime banks in New York for the spot purchase in the New York currency exchange market of such amount of U.S. dollars with such Alternative Currency and (c) if such amount is denominated in any other currency, the equivalent of such amount in U.S. dollars as determined by the Trustee using any method of determination it deems appropriate.

"***EBITDA***" means, for any period, an amount equal to, for the Company and its consolidated Restricted Subsidiaries:

(a) the sum of Consolidated Net Income for such period, plus

(1) any provision for taxes based on income or profits;

(2) Consolidated Interest Expense;

(3) loss from extraordinary items;

(4) depreciation, depletion and amortization expenses;

(5) all other non-cash expenses, charges and losses that are not payable in cash in any subsequent period; and

(6) non-recurring cash restructuring expenses, charges and losses, minus

(b) the sum of, in each case to the extent included in the calculation of such Consolidated Net Income for such period, but without duplication, (i) any credit for income tax, (ii) interest income, (iii)

gains from extraordinary items, (iv) any aggregate net gain (but not any aggregate net loss) from the sale, exchange or other disposition of capital assets and (v) any other non-cash gains or other items which have been added in determining Consolidated Net Income, including any reversal of a change referred to in clause (5) above by reason of a decrease in the value of any Capital Stock or Capital Stock Equivalent.

Notwithstanding the foregoing clause (a), the provision for taxes and the depreciation, amortization and non-cash items of a Restricted Subsidiary shall be added to Consolidated Net Income to compute EBITDA only to the extent (and in the same proportion) that the net income of such Restricted Subsidiary was included in calculating Consolidated Net Income and only if a corresponding amount would be permitted at the date of determination to be dividended to the Company by such Restricted Subsidiary without prior approval (that has not been obtained), pursuant to the terms of its charter and all agreements, instruments, judgments, decrees, orders, statutes, rules and governmental regulations applicable to such Restricted Subsidiary or its shareholders.

"***Euroclear***" means Euroclear Bank, S.A./N.V., as operator of the Euroclear systems, and any successor thereto.

"***Event of Default***" has the meaning set forth under Section 6.01.

"***Exchange Act***" means the Securities Exchange Act of 1934, as amended.

"***Exchange Notes***" means the notes issued in exchange for the Initial Notes or any Additional Notes issued pursuant to the Registration Rights Agreement or any similar registration rights agreement with respect to any Additional Notes.

"***Exchange Offer***" has the meaning set forth in the Registration Rights Agreement relating to an exchange of Notes registered under the Securities Act for Notes not so registered.

"***Exchange Offer Registration Statement***" has the meaning set forth in the Registration Rights Agreement.

"***Existing Indenture***" means the Indenture relating to the Senior Notes, dated as of February 3, 2005, between the Company, the guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee, as amended from time to time.

"***Fair Market Value***" means, with respect to any Property, the price that could be negotiated in an arm's-length free market transaction, for cash, between a willing seller and a willing buyer, neither of whom is under undue pressure or compulsion to complete the transaction. Fair Market Value shall be determined, except as otherwise provided,

(a) if such Property has a Fair Market Value equal to or less than $50.0 million, by any Officer of the Company; or

(b) if such Property has a Fair Market Value in excess of $50.0 million, by at least a majority of the Board of Directors and evidenced by a Board Resolution, dated within 45 days of the relevant transaction, delivered to the Trustee.

"***GAAP***" means United States generally accepted accounting principles as in effect on February 3, 2005, including those set forth in:

(a) the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants;

(b) the statements and pronouncements of the Financial Accounting Standards Board;

(c) such other statements by such other entity as approved by a significant segment of the accounting profession; and

(d) the rules and regulations of the Commission governing the inclusion of financial statements (including pro forma financial statements) in periodic reports required to be filed pursuant to Section 13 of the Exchange Act, including opinions and pronouncements in staff accounting bulletins and similar written statements from the accounting staff of the Commission.

"***Global Note***" or "***Global Notes***" means the global Notes in the form of Exhibit A hereto issued in accordance with Article 2.

"***Global Note Legend***" means the legend set forth in Section 2.06(g)(ii), which is required to be placed on all Global Notes issued under this Indenture.

"***Governmental Authority***" means any nation, sovereign or government, any state or other political subdivision thereof and any entity or authority exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any central bank.

"***Guarantee***" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Debt of any other Person and any obligation, direct or indirect, contingent or otherwise, of such Person:

(a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt of such other Person (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take-or-pay or to maintain financial statement conditions or otherwise); or

(b) entered into for the purpose of assuring in any other manner the obligee against loss in respect thereof (in whole or in part);

provided, *however*, that the term "Guarantee" shall not include:

(1) endorsements for collection or deposit in the ordinary course of business; or

(2) a contractual commitment by one Person to invest in another Person for so long as such Investment is reasonably expected to constitute a Permitted Investment under clause (a), (b) or (c) of the definition of "Permitted Investment."

The term "Guarantee" used as a verb has a corresponding meaning. The term "Guarantor" shall mean any Person Guaranteeing any obligation.

"***Hedging Obligation***" of any Person means any obligation of such Person pursuant to any Interest Rate Agreement, Currency Exchange Protection Agreement, Commodity Price Protection Agreement or any other similar agreement or arrangement.

"***Holder***" means a Person in whose name a Note is registered in the Security Register.

"***IAI Global Note***" means one or more Global Notes in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with and registered in the name of the Depositary or its nominee issued in an aggregate denominational amount equal to the outstanding principal amount of the Notes issued or sold to Institutional Accredited Investors or other Persons entitled to hold beneficial interests in an IAI Global Note, if any.

"***Incur***" means, with respect to any Debt or other obligation of any Person, to create, issue, incur (by merger, conversion, exchange or otherwise), extend, assume, Guarantee or become liable in respect of such Debt or other obligation or the recording, as required pursuant to GAAP or otherwise, of any such Debt or obligation on the balance sheet of such Person (and "Incurrence" and "Incurred" shall have meanings correlative to the foregoing); *provided*, *however*, that a change in GAAP that results in an obligation of such Person that exists at such time, and is not theretofore classified as Debt, becoming Debt shall not be deemed an Incurrence of such Debt; *provided further*, *however*, that any Debt or other obligations of a Person existing at the time such Person becomes a Subsidiary (whether by merger, consolidation, acquisition or otherwise) shall be deemed to be Incurred by such Subsidiary at the time it becomes a Subsidiary; and *provided further*, *however*, that solely for purposes of determining compliance with Section 4.09, amortization of debt discount shall not be deemed to be the Incurrence of Debt, *provided* that in the case of Debt sold at a discount, the amount of such Debt Incurred shall at all times be the aggregate principal amount at Stated Maturity.

"***Indenture***" means this instrument, as originally executed or as it may from time to time be supplemented or amended in accordance with Article 9.

"***Independent Financial Advisor***" means an investment banking firm of national standing or any third party appraiser of national standing, provided that such firm or appraiser is not an Affiliate of the Company.

"***Independent Investment Banker***" means one of the Reference Treasury Dealers appointed by the Trustee after consultation with the Company.

"***Indirect Participant***" means a Person who holds a beneficial interest in a Global Note through a Participant.

"***Initial Notes***" means $185.0 million aggregate principal amount of Notes issued under this Indenture on the date hereof.

"***Institutional Accredited Investor***" means an institution that is an "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act.

"***Interest Payment Dates***" shall have the meaning set forth in paragraph 1 of each Note.

"***Interest Rate Agreement***" means, for any Person, any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement or other similar agreement designed to protect against fluctuations in interest rates.

"***Investment***" by any Person means any direct or indirect loan (other than advances to customers in the ordinary course of business that are recorded as accounts receivable on the balance sheet of such Person), advance or other extension of credit or capital contribution (by means of transfers of cash or other Property to others or payments for Property or services for the account or use of others, or otherwise) to, or Incurrence of a Guarantee of any obligation of, or purchase or acquisition of Capital Stock, bonds, notes, debentures or other securities or evidence of Debt issued by, any other Person. For purposes of Sections 4.10 and 4.16 and the definition of "Restricted Payment," the term "Investment" shall include the portion (proportionate to the Company's equity interest in such Subsidiary) of the Fair Market Value of the net assets of any Subsidiary of the Company at the time that such Subsidiary is designated an Unrestricted Subsidiary; *provided, however*, that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Company shall be deemed to continue to have a permanent "Investment" in an Unrestricted Subsidiary of an amount (if positive) equal to:

(a) the Company's "Investment" in such Subsidiary at the time of such redesignation, less

(b) the portion (proportionate to the Company's equity interest in such Subsidiary) of the Fair Market Value of the net assets of such Subsidiary at the time of such redesignation.

In determining the amount of any Investment made by transfer of any Property other than cash, such Property shall be valued at its Fair Market Value at the time of such Investment.

"***Investment Grade Rating***" means a rating equal to or higher than Baa3 (or the equivalent) by Moody's and BBB- (or the equivalent) by S&P.

"***Investment Grade Status***" shall be deemed to have been reached on the date that the Notes have an Investment Grade Rating from both Rating Agencies.

"***Issue Date***" means the date on which the Notes are initially issued pursuant to this Indenture.

"***Legal Holiday***" means a Saturday, a Sunday or a day on which banking institutions in the City of New York, the City of Atlanta, the city in which the Corporate Trust Office of the Trustee is located or any other place of payment on the Notes are authorized by law, regulation or executive order to remain closed.

"***Letter of Transmittal***" means the letter of transmittal, or its electronic equivalent in accordance with the Applicable Procedures, to be prepared by the Company and sent to all Holders for use by such Holders in connection with an Exchange Offer.

"***Lien***" means, with respect to any Property of any Person, any mortgage or deed of trust, pledge, hypothecation, assignment, deposit arrangement, security interest, lien, charge, easement (other than any easement not materially impairing usefulness or marketability), encumbrance, preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever on or with respect to such Property (including any Capital Lease Obligation, conditional sale or other title retention agreement having substantially the same economic effect as any of the foregoing or any Sale and Leaseback Transaction).

"***Maturity Date***" means February 15, 2015.

"***Moody's***" means Moody's Investors Service, Inc. or any successor to the rating agency business thereof.

"***Net Available Cash***" from any Asset Sale means cash payments received therefrom (including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise, but only as and when received, but excluding any other consideration received in the form of assumption by the acquiring Person of Debt or other obligations relating to the Property that is the subject of such Asset Sale or received in any other non-cash form), in each case net of:

(a) all legal, title and recording tax expenses, commissions and other fees and expenses incurred, and all Federal, state, provincial, foreign and local taxes required to be accrued as a liability under GAAP, as a consequence of such Asset Sale;

(b) all payments made on or in respect of any Debt that is secured by any Property subject to such Asset Sale, in accordance with the terms of any Lien upon such Property, or which must by its terms, or in order to obtain a necessary consent to such Asset Sale, or by applicable law, be repaid out of the proceeds from such Asset Sale;

(c) all distributions and other payments required to be made to minority interest Holders in Subsidiaries or joint ventures as a result of such Asset Sale; and

(d) the deduction of appropriate amounts provided by the seller as a reserve, in accordance with GAAP, against any liabilities associated with the Property disposed of in such Asset Sale and retained by the Company or any Restricted Subsidiary after such Asset Sale.

"***Notes***" has the meaning ascribed to it in the preamble hereto, and includes the Initial Notes and the Exchange Notes.

"***Obligations***" means all obligations for principal, premium, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Debt.

"***Officer***" means the Chief Executive Officer, the President, the Chief Financial Officer or any other executive officer of the Company.

"***Officers' Certificate***" means a certificate, in form and substance reasonably satisfactory to the Trustee, signed by two Officers of the Company, at least one of whom shall be the principal executive officer or principal financial officer of the Company, and delivered to the Trustee.

"***Opinion of Counsel***" means a written opinion, from legal counsel who is reasonably acceptable to the Trustee. The counsel may be an employee of or counsel to the Company or the Trustee.

"***Participant***" means, with respect to the Depositary, Euroclear or Clearstream, a Person who has an account with the Depositary, Euroclear or Clearstream, respectively, and, with respect to DTC, shall include Euroclear and Clearstream.

"***Permitted Holder***" means Hindalco Industries Ltd. and any Affiliate and Related Person thereof. Any person or group whose acquisition of beneficial ownership constitutes a Change of Control in respect of which a Change of Control Offer is made in accordance with the requirements of the Indenture (or would result in a Change of Control Offer in the absence of the waiver of such requirement by holders in accordance with the Indenture) will thereafter, together with any of its Affiliates and Related Persons, constitute additional Permitted Holders.

"***Permitted Investment***" means any Investment by the Company or a Restricted Subsidiary in:

(a) the Company or any Restricted Subsidiary;

(b) any Person that will, upon the making of such Investment, become a Restricted Subsidiary;

(c) any Person if as a result of such Investment such Person is merged or consolidated with or into, or transfers or conveys all or substantially all its Property to, the Company or a Restricted Subsidiary;

(d) Cash Equivalents;

(e) receivables owing to the Company or a Restricted Subsidiary, if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms; *provided, however*, that such trade terms may include such concessionary trade terms as the Company or such Restricted Subsidiary deems reasonable under the circumstances;

(f) payroll, travel and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses for accounting purposes and that are made in the ordinary course of business;

(g) loans and advances to employees made in the ordinary course of business consistent with past practices of the Company or such Restricted Subsidiary, as the case may be, *provided* that such loans and advances do not exceed $15.0 million in the aggregate at any one time outstanding;

(h) stock, obligations or other securities received in settlement of debts created in the ordinary course of business and owing to the Company or a Restricted Subsidiary or in satisfaction of judgments;

(i) any Person to the extent such Investment represents the non-cash portion of the consideration received in connection with (A) an Asset Sale consummated in compliance with Section 4.12, or (B) any disposition of Property not constituting an Asset Sale;

(j) any Persons made for Fair Market Value that do not exceed 5% of Consolidated Net Tangible Assets in the aggregate outstanding at any one time;

(k) a Securitization Entity or any Investment by a Securitization Entity in any other Person in connection with a Qualified Securitization Transaction *provided* that any Investment in a Securitization Entity is in the form of a Purchase Money Note, contribution of additional receivables and related assets or any equity interests; and

(l) other Investments made for Fair Market Value that do not exceed $20.0 million in the aggregate outstanding at any one time.

"***Permitted Liens***" means:

(a) Liens to secure Debt permitted to be Incurred under clause (b) of the second paragraph of Section 4.09 and other Obligations related thereto;

(b) Liens to secure Debt permitted to be Incurred under clause (c) of the second paragraph of Section 4.09 and other Obligations related thereto; *provided* that any such Lien may not extend to any Property of the Company or any Restricted Subsidiary, other than the Property acquired, constructed or leased with the proceeds of such Debt and any improvements or accessions to such Property;

(c) Liens for taxes, assessments or governmental charges or levies on the Property of the Company or any Restricted Subsidiary if the same shall not at the time be delinquent or thereafter can be paid without penalty, or are being contested in good faith and by appropriate proceedings timely instituted and diligently pursued, *provided* that any reserve or other appropriate provision that shall be required in accordance with GAAP shall have been established with respect thereto;

(d) Deposit account banks' rights of set-off, Liens of landlords arising by statute, Liens imposed by law, such as carriers', warehousemen's and mechanics' Liens and other similar Liens, on the Property of the Company or any Restricted Subsidiary arising in the ordinary course of business and securing payment of obligations that are not more than 60 days past due or are being contested in good faith and by appropriate proceedings;

(e) Liens on the Property of the Company or any Restricted Subsidiary Incurred in the ordinary course of business to secure performance of obligations with respect to statutory or regulatory requirements, performance or return-of-money bonds, surety bonds or other obligations of a like nature and Incurred in a manner consistent with industry practice, in each case which are not Incurred in connection with the borrowing of money, the obtaining of advances or credit or the payment of the deferred purchase price of Property and which do not in the aggregate impair in any material respect the use of Property in the operation of the business of the Company and the Restricted Subsidiaries taken as a whole;

(f) Liens on Property at the time the Company or any Restricted Subsidiary acquired such Property, including any acquisition by means of a merger or consolidation with or into the Company or any Restricted Subsidiary; *provided*, *however*, that any such Lien may not extend to any other Property of the Company or any Restricted Subsidiary; *provided further*, *however*, that such Liens shall not have been Incurred in anticipation of or in connection with the transaction or series of transactions pursuant to which such Property was acquired by the Company or any Restricted Subsidiary;

(g) Liens on the Property of a Person at the time such Person becomes a Restricted Subsidiary; *provided*, *however*, that any such Lien may not extend to any other Property of the Company or any other Restricted Subsidiary that is not a direct Subsidiary of such Person; *provided further*, *however*,

that any such Lien was not Incurred in anticipation of or in connection with the transaction or series of transactions pursuant to which such Person became a Restricted Subsidiary;

(h) pledges or deposits by the Company or any Restricted Subsidiary under workers' compensation laws, unemployment insurance laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Debt) or leases to which the Company or any Restricted Subsidiary is party, or deposits to secure public or statutory obligations of the Company, or deposits for the payment of rent, in each case Incurred in the ordinary course of business;

(i) utility easements, building restrictions and such other encumbrances or charges against real Property as are of a nature generally existing with respect to properties of a similar character;

(j) Liens existing on the Issue Date not otherwise described in clauses (a) through (i) above, other than Liens created after February 3, 2005 that were permitted liens pursuant to clause (t) of the definition of "Permitted Liens" set forth in the Existing Indenture;

(k) Liens not otherwise described in clauses (a) through (j) above on the Property of any Restricted Subsidiary that is not a Subsidiary Guarantor to secure any Debt permitted to be Incurred by such Restricted Subsidiary pursuant to Section 4.09;

(l) Liens on the Property of the Company or any Restricted Subsidiary to secure any Refinancing, in whole or in part, of any Debt secured by Liens referred to in clause (b), (f), (g), or (j) above; *provided*, *however*, that any such Lien shall be limited to all or part of the same Property that secured the original Lien (together with improvements and accessions to such Property), and the aggregate principal amount of Debt that is secured by such Lien shall not be increased to an amount greater than the sum of:

(1) the outstanding principal amount, or, if greater, the committed amount, of the Debt secured by Liens described under clause (b), (f), (g) or (j) above, as the case may be, at the time the original Lien became a Permitted Lien under this Indenture, and

(2) an amount necessary to pay any fees and expenses, including premiums and defeasance costs, incurred by the Company or such Restricted Subsidiary in connection with such Refinancing;

(m) Liens on accounts receivable and related assets (including contract rights) of the type specified in the definition of "Qualified Securitization Transaction" transferred to a Securitization Entity in a Qualified Securitization Transaction;

(n) encumbrances arising by reason of zoning restrictions, easements, licenses, reservations, covenants, rights-of-way, utility easements, building restrictions and other similar encumbrances on the use of real property not materially detracting from the value of such real property or not materially interfering with the ordinary conduct of the business conducted and proposed to be conducted at such real property;

(o) encumbrances arising under leases or subleases of real property that do not, in the aggregate, materially detract from the value of such real property or interfere with the ordinary conduct of the business conducted and proposed to be conducted at such real property;

(p) financing statements with respect to a lessor's rights in and to personal property leased to such Person in the ordinary course of such Person's business other than through a Capital Lease;

(q) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;

(r) licenses of patents, trademarks and other intellectual property rights granted in the ordinary course of business and not interfering in any respect with the ordinary conduct of such Person's business;

(s) Liens arising out of conditional sale, retention, consignment or similar arrangement, incurred in the ordinary course of business, for the sale of goods; and

(t) Liens not otherwise permitted by clauses (a) through (s) above encumbering Property having an aggregate Fair Market Value not in excess of 5% of Consolidated Net Tangible Assets, as determined based on the consolidated balance sheet of the Company as of the end of the most recent fiscal quarter for which financial statements have been filed or furnished.

"***Permitted Refinancing Debt***" means any Debt that Refinances any other Debt, including any successive Refinancings, so long as:

(a) such Debt is in an aggregate principal amount (or if Incurred with original issue discount, an aggregate issue price) not in excess of the sum of:

(1) the aggregate principal amount (or if Incurred with original issue discount, the aggregate accreted value) then outstanding of the Debt being Refinanced; and

(2) an amount necessary to pay any fees and expenses, including premiums and defeasance costs, related to such Refinancing;

(b) the Average Life of such Debt is equal to or greater than the Average Life of the Debt being Refinanced;

(c) the Stated Maturity of such Debt is no earlier than the Stated Maturity of the Debt being Refinanced; and

(d) the new Debt shall not be senior in right of payment to the Debt that is being Refinanced;

provided, *however*, that Permitted Refinancing Debt shall not include:

(x) Debt of a Subsidiary that is not a Subsidiary Guarantor that Refinances Debt of the Company or a Subsidiary Guarantor; or

(y) Debt of the Company or a Restricted Subsidiary that Refinances Debt of an Unrestricted Subsidiary.

"***Person***" means any individual, corporation, company (including any limited liability company), association, partnership, joint venture, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"***Predecessor Note***" of any particular Note means every previous Note evidencing all or a portion of the same Debt as that evidenced by such particular Note; and any Note authenticated and delivered under Section 2.07 in lieu of a lost, destroyed or stolen Note shall be deemed to evidence the same Debt as the lost, destroyed or stolen Note.

"***Preferred Stock***" means any Capital Stock of a Person, however designated, which entitles the holder thereof to a preference with respect to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of any other class of Capital Stock issued by such Person.

"***Preferred Stock Dividends***" means all dividends with respect to Preferred Stock of Restricted Subsidiaries held by Persons other than the Company or a Wholly Owned Restricted Subsidiary. The amount of any such dividend shall be equal to the quotient of such dividend divided by the difference between one and the maximum statutory federal income rate (expressed as a decimal number between 1 and 0) then applicable to the issuer of such Preferred Stock.

"***Principal Property***" means any manufacturing plant or facility owned by the Company and/or one or more Restricted Subsidiaries having a gross book value in excess of 1.5% of the Consolidated Net Tangible Assets of the Company and its Restricted Subsidiaries.

"***Private Placement Legend***" means the legend set forth in Section 2.06(g)(i) to be placed on all Notes issued under this Indenture except as otherwise permitted by the provisions of this Indenture.

"***pro forma***" means, with respect to any calculation made or required to be made pursuant to the terms hereof, a calculation performed in accordance with Article 11 of Regulation S-X promulgated under the Securities Act, as interpreted in good faith by the Board of Directors after consultation with the independent certified public accountants of the Company, or otherwise a calculation made in good faith by the Board of Directors after consultation with the independent certified public accountants of the Company, as the case may be.

"***Property***" means, with respect to any Person, any interest of such Person in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, including Capital Stock in, and other securities of, any other Person. For purposes of any calculation required pursuant to this Indenture, the value of any Property shall be its Fair Market Value.

"***Public Equity Offering***" means an underwritten public offering of common stock of the Company pursuant to an effective registration statement under the Securities Act.

"***Purchase Money Debt***" means Debt:

(a) consisting of the deferred purchase price of Property, conditional sale obligations, obligations under any title retention agreement, other purchase money obligations and obligations in respect of industrial revenue bonds, in each case where the maturity of such Debt does not exceed the anticipated useful life of the Property being financed; and

(b) Incurred to finance the acquisition, construction or lease by the Company or a Restricted Subsidiary of such Property, including additions and improvements thereto;

provided, *however*, that such Debt is Incurred within 180 days after the acquisition, construction or lease of such Property by the Company or such Restricted Subsidiary.

"***Purchase Money Note***" means a promissory note evidencing a line of credit, or evidencing other Debt owed to the Company or any Restricted Subsidiary in connection with a Qualified Securitization Transaction, which note shall be repaid from cash available to the maker of such note, other than amounts required to be established as reserves, amounts paid to investors in respect of interest, principal and other amounts owing to such investors and amounts paid in connection with the purchase of newly generated accounts receivable.

"***QIB***" means a "qualified institutional buyer" as defined in Rule 144A.

"***Qualified Securitization Transaction***" means any transaction or series of transactions that may be entered into by the Company or any Restricted Subsidiary pursuant to which the Company or any Restricted Subsidiary may sell, convey or otherwise transfer pursuant to customary terms to (a) a Securitization Entity (in the case of a transfer by the Company or any Restricted Subsidiary) and (b) any other Person (in the case of transfer by a Securitization Entity), or may grant a security interest in any accounts receivable (whether now existing or arising or acquired in the future) of the Company or any Restricted Subsidiary, and any assets related thereto including all collateral securing such accounts receivable, all contracts and contract rights and all guarantees or other obligations

in respect of such accounts receivable, proceeds of such accounts receivable and other assets (including contract rights) which are customarily transferred or in respect of which security interests are customarily granted in connection with asset securitization transactions involving accounts receivable.

"***Rating Agencies***" means Moody's and S&P.

"***Reference Treasury Dealer***" means Credit Suisse Securities (USA) LLC, Morgan Stanley & Co. Incorporated, RBS Securities Inc. and their successors and any other primary U.S. Government securities dealer or dealers in New York City (a "Primary Treasury Dealer") selected by the Company; *provided, however*, that if any of the foregoing cease to be a Primary Treasury Dealer, the Company shall substitute therefor another Primary Treasury Dealer.

"***Reference Treasury Dealer Quotations***" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Trustee, of the bid and ask prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Trustee by such Reference Treasury Dealer at 5:00 p.m. on the third business day preceding such redemption date.

"***Refinance***" means, in respect of any Debt, to refinance, extend, renew, refund or Repay, or to issue other Debt, in exchange or replacement for, such Debt. "Refinanced" and "Refinancing" shall have correlative meanings.

"***Registration Rights Agreement***" means the Registration Rights Agreement dated as of the Issue Date, between the Company and the Subsidiary Guarantors, or any similar agreement with respect any Additional Notes.

"***Regular Record Date***" for the interest payable on any Interest Payment Date means the applicable date specified as a "Record Date" on the face of the Note.

"***Regulation S***" means Regulation S promulgated under the Securities Act as Regulation S.

"***Regulation S Global Note***" means one or more Regulation S Global Notes in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with and registered in the name of the Depositary or its nominee that will be issued in an aggregate denominational amount equal to the outstanding principal amount of the Notes sold in reliance on Regulation S.

"***Related Business***" means any business that is related, ancillary or complementary to the businesses of the Company and the Restricted Subsidiaries on the Issue Date.

"***Related Person***" with respect to any Permitted Holder means:

(a) any controlling stockholder or a majority (or more) owned Subsidiary of such Permitted Holder or, in the case of an individual, any spouse or immediate family member of such Permitted Holder, any trust created for the benefit of such individual or such individual's estate, executor, administrator, committee or beneficiaries; or

(b) any trust, corporation, partnership or other entity, the beneficiaries, stockholders, partners, owners or Persons beneficially holding a majority (or more) controlling interest of which consist of such Permitted Holder and/or such other Persons referred to in the immediately preceding clause (a).

"***Repay***" means, in respect of any Debt, to repay, prepay, repurchase, redeem, legally defease or otherwise retire such Debt. "Repayment" and "Repaid" shall have correlative meanings. For purposes of Section 4.12 and the definition of "Consolidated Interest Coverage Ratio," Debt shall be considered to have been Repaid only to the extent the related loan commitment, if any, shall have been permanently reduced in connection therewith.

"***Responsible Officer***", when used with respect to the Trustee, means any officer within the Corporate Trust Department of the Trustee (or any successor group of the Trustee) with direct responsibility for the administration of this Indenture and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his or her knowledge of and familiarity with the particular subject.

"***Restricted Definitive Note***" means one or more Definitive Notes bearing the Private Placement Legend.

"***Restricted Global Notes***" means 144A Global Notes, IAI Global Notes and Regulation S Global Notes.

"***Restricted Payment***" means:

(a) any dividend or distribution (whether made in cash, securities or other Property) declared or paid on or with respect to any shares of Capital Stock of the Company or any Restricted Subsidiary (including any payment in connection with any merger or consolidation with or into the Company or any Restricted Subsidiary), except for (i) any dividend or distribution that is made solely to the Company or a Restricted Subsidiary (and, if such Restricted Subsidiary is not a Wholly Owned Restricted Subsidiary, to the other shareholders of such Restricted Subsidiary on a *pro rata* basis or on a basis that results in the receipt by the Company or a Restricted Subsidiary of dividends or distributions of greater value than it would receive on a *pro rata* basis), or (ii) any dividend or distribution payable solely in shares of Capital Stock (other than Disqualified Stock) of the Company;

(b) the purchase, repurchase, redemption, acquisition or retirement for value of any Capital Stock of the Company or any Restricted Subsidiary (other than from the Company or a Restricted Subsidiary) or any securities exchangeable for or convertible into any such Capital Stock, including the exercise of any option to exchange any Capital Stock (other than for or into Capital Stock of the Company that is not Disqualified Stock);

(c) the purchase, repurchase, redemption, acquisition or retirement for value, prior to the date for any scheduled maturity, sinking fund or amortization or other installment payment, of any Subordinated Obligation (other than the purchase, repurchase or other acquisition of any Subordinated Obligation purchased in anticipation of satisfying a scheduled maturity, sinking fund or amortization or other installment obligation, in each case due within one year of the date of acquisition); or

(d) any Investment (other than Permitted Investments) in any Person.

"***Restricted Subsidiary***" means any Subsidiary of the Company other than an Unrestricted Subsidiary.

"***Rule 144***" means Rule 144 promulgated under the Securities Act.

"***Rule 903***" means Rule 903 promulgated under the Securities Act.

"***Rule 904***" means Rule 904 promulgated under the Securities Act.

"***S&P***" means Standard & Poor's Ratings Group, Inc., a division of The McGraw-Hill Companies, or any successor to the rating agency business thereof.

"***Sale and Leaseback Transaction***" means any direct or indirect arrangement relating to Property now owned or hereafter acquired whereby the Company or a Restricted Subsidiary transfers such Property to another Person and the Company or a Restricted Subsidiary leases it from such Person.

"***Securities Act***" means the Securities Act of 1933, as amended.

"***Securitization Entity***" means any wholly owned Subsidiary of the Company or any Restricted Subsidiary (or another Person in which the Company or any Restricted Subsidiary make an Investment and to which the Company or any Restricted Subsidiary transfers accounts receivable and related assets) (a) which engages in no activities other than in connection with the financing of accounts receivable or related assets, (b) which is designated by the Board of Directors (as provided below) as a Securitization Entity, (c) no portion of the Debt or any other Obligations (contingent or otherwise) of which (i) is guaranteed by the Company or any Restricted Subsidiary (excluding guarantees of Obligations (other than the principal of, and interest on, Debt) pursuant to Standard Securitization Undertakings and guarantees by the Securitization Entity), (ii) is recourse to or obligates the Company or any Restricted Subsidiary (other than the Securitization Entity) in any way other than pursuant to Standard Securitization Undertakings or (iii) subjects any property or asset of the Company or any Restricted Subsidiary (other than the Securitization Entity), directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings and other than any interest in the accounts receivable and related assets being financed (whether in the form of any equity interest in such assets or subordinated indebtedness payable primarily from such financed assets) retained or acquired by the Company or any Restricted Subsidiary, (d) with which none of the Company nor any Restricted Subsidiary has any material contract, agreement, arrangement or understanding other than those customary for a Qualified Securitization Transaction and, in any event, on terms no less favorable to the Company or such Restricted Subsidiary than those that might be obtained at the time from Persons that are not Affiliates of the Company or such Restricted Subsidiary, and (e) to which none of the Company nor any Restricted Subsidiary has any obligation to maintain or preserve such entity's financial condition or cause such entity to achieve certain levels of operating results. Any such designation by the Board of Directors shall be evidenced to the Trustee by filing with the Trustee a certified copy of the resolution of the Board of Directors giving effect to such designation and an Officers' Certificate certifying that such designation complied with the foregoing conditions.

"***Senior Debt***" of the Company means:

(a) all obligations consisting of the principal, premium, if any, and accrued and unpaid interest (including interest accruing on or after the filing of any petition in bankruptcy or for reorganization relating to the Company to the extent post-filing interest is allowed in such proceeding) in respect of:

(1) Debt of the Company for borrowed money; and

(2) Debt of the Company evidenced by notes, debentures, bonds or other similar instruments permitted under this Indenture for the payment of which the Company is responsible or liable;

(b) all Capital Lease Obligations of the Company and all Attributable Debt in respect of Sale and Leaseback Transactions entered into by the Company;

(c) all obligations of the Company;

(1) for the reimbursement of any obligor on any letter of credit, banker's acceptance or similar credit transaction;

(2) under Hedging Obligations; or

(3) issued or assumed as the deferred purchase price of Property and all conditional sale obligations of the Company and all obligations under any title retention agreement permitted under this Indenture; and

(d) all obligations of other Persons of the type referred to in clauses (a), (b) and (c) for the payment of which the Company is responsible or liable as guarantor;

provided, *however*, that Senior Debt shall not include:

(A) Debt of the Company that is by its terms subordinate in right of payment to the Notes including any Subordinated Debt;

(B) any Debt Incurred in violation of the provisions of this Indenture;

(C) accounts payable or any other obligations of the Company to trade creditors created or assumed by the Company in the ordinary course of business in connection with the obtaining of materials or services (including Guarantees thereof or instruments evidencing such liabilities);

(D) any liability for Federal, state, local or other taxes owed or owing by the Company;

(E) any obligation of the Company to any Subsidiary; or

(F) any obligations with respect to any Capital Stock of the Company.

To the extent that any payment of Senior Debt (whether by or on behalf of the Company as proceeds of security or enforcement or any right of setoff or otherwise) is declared to be fraudulent or preferential, set aside or required to be paid to a trustee, receiver or other similar party under any bankruptcy, insolvency, receivership or similar law, then if such payment is recovered by, or paid over to, such trustee, receiver or other similar party, the Senior Debt or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as if such payment had not occurred.

"***Senior Debt***" of any Subsidiary Guarantor has a correlative meaning to Senior Debt of the Company.

"***Senior Notes***" means the Company's 7.25% Senior Notes due 2015.

"***Senior Secured Credit Facilities***" means (a) the asset-based lending facility dated as of July 6, 2007 by and among the Company, ABN AMRO Bank N.V. as administrative agent, and the several banks and other financial institutions or entities from time to time parties thereto, including any notes, collateral documents, and documentation and guarantees and any appendices, exhibits or schedules to any of the preceding, and (b) the term loan facility dated as of July 6, 2007 by and among the Company, UBS AG, Stamford Branch, as administrative agent and as collateral agent, and the several banks and other financial institutions or entities from time to time parties thereto, including any notes, collateral documents, letters of credit and documentation and guarantees and any appendices, exhibits or schedules to any of the preceding, as such agreements may be in effect from time to time, in each case, as any or all of such agreements (or any other agreement that Refinances any or all of such agreements) may be amended, restated, modified or supplemented from time to time, or renewed, refunded, refinanced, restructured, replaced, repaid or extended from time to time, whether with the original agents and lenders or other agents and lenders or otherwise, and whether provided under the original credit agreement or one or more other credit agreements, indentures or otherwise.

"***Shelf Registration Statement***" means the registration statement relating to the registration of the Notes under Rule 415 of the Securities Act, as provided for in the Registration Rights Agreement.

"***Significant Subsidiary***" means any Subsidiary that would be a "significant subsidiary" of the Company within the meaning of Rule 1-02 under Regulation S-X pursuant to the Exchange Act.

"***Standard Securitization Undertakings***" means representations, warranties, covenants and indemnities entered into by the Company or any Restricted Subsidiary that are reasonably customary in an accounts receivable securitization transaction so long as none of the same constitute Debt, a Guarantee or otherwise require the provision of credit support.

"***Stated Maturity***" means, with respect to any security, the date specified in such security as the fixed date on which the payment of principal of such security is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase of such security at the option of the holder thereof upon the happening of any contingency beyond the control of the issuer unless such contingency has occurred).

"***Subordinated Debt***" means any Debt of the Company or any Subsidiary Guarantor (whether outstanding on the Issue Date or thereafter Incurred) that is subordinate or junior in right of payment to the Notes or the applicable Subsidiary Guaranty pursuant to a written agreement to that effect.

"***Subsidiary***" means, in respect of any Person, any corporation, company (including any limited liability company), association, partnership, joint venture or other business entity of which an aggregate of 50% or more of the total voting power of the Voting Stock is at the time owned or controlled, directly or indirectly, by:

(a) such Person;

(b) such Person and one or more Subsidiaries of such Person; or

(c) one or more Subsidiaries of such Person.

"***Subsidiary Guarantor***" means (a) each Canadian Restricted Subsidiary and U.S. Restricted Subsidiary; (b) Novelis do Brasil Ltda, Novelis UK Ltd., Novelis Europe Holdings Limited, Novelis Aluminium Holding Company, Novelis Deutschland GmbH, Novelis Switzerland SA, Novelis Technology AG**,** Novelis AG, Novelis PAE S.A.S., Novelis Luxembourg S.A., Novelis Madeira, Unipessoal, Lda and Novelis Services Limited; and (c) any other Person that becomes a Subsidiary Guarantor pursuant to Section 4.18 or who otherwise executes and delivers a supplemental indenture to the Trustee providing for a Subsidiary Guaranty.

"***Subsidiary Guaranty***" means the guarantee of the Notes by each of the Subsidiary Guarantors pursuant to Article 10 and in the form of the Notation of Guarantee attached as Exhibit E.

"***Surviving Person***" means the surviving Person formed by a merger, consolidation or amalgamation and, for purposes of Section 5.01, a Person to whom all or substantially all of the Property of the Company or a Subsidiary Guarantor is sold, transferred, assigned, leased, conveyed or otherwise disposed.

"***Taxes***" means any present or future tax, duty, levy, interest, assessment or other governmental charge imposed or levied by or on behalf of any government or any political subdivision or territory or possession of any government or any authority or agency therein or thereof having power to tax.

"***Taxing Jurisdiction***" means (i) with respect to any payment made under the Notes, any jurisdiction (or any political subdivision thereof or therein) in which the Company, or any of its successors, are organized or resident for tax purposes or conduct of business, or from or through which payment is made and (ii) with respect to any payment made by a Subsidiary Guarantor, any jurisdiction (or any political subdivision thereof or therein) in which such Subsidiary Guarantor is organized or resident for tax purposes or conduct of business, or from or through which payment is made.

"***TIA***" means the Trust Indenture Act of 1939, as amended, and the rules and regulations thereunder.

"***Treasury Rate***" means, with respect to any redemption date, the rate per annum equal to the yield to maturity of the Comparable Treasury Issue, compounded semi-annually, assuming a price for such Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

"***Trustee***" means the Person named as the "Trustee" in the first paragraph of this instrument until a successor Trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Trustee" shall mean such successor Trustee.

"***Unrestricted Definitive Notes***" means one or more Definitive Notes that do not and are not required to bear the Private Placement Legend.

"***Unrestricted Global Notes***" means one or more Global Notes that do not and are not required to bear the Private Placement Legend and are deposited with and registered in the name of the Depositary or its nominee.

"***Unrestricted Subsidiary***" means:

(a) any Subsidiary of the Company that is designated after the Issue Date as an Unrestricted Subsidiary as permitted or required pursuant to Section 4.16 and is not thereafter redesignated as a Restricted Subsidiary as permitted pursuant thereto; and

(b) any Subsidiary of an Unrestricted Subsidiary.

"***U.S. Government Obligations***" means direct obligations (or certificates representing an ownership interest in such obligations) of the United States (including any agency or instrumentality thereof) for the payment of which the full faith and credit of the United States is pledged and which are not callable or redeemable at the issuer's option.

"***U.S. Restricted Subsidiary***" means any Restricted Subsidiary that is organized under the laws of the United States of America or any State thereof or the District of Columbia.

"***Voting Stock***" of any Person means all classes of Capital Stock or other interests (including partnership interests) of such Person then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof.

"***Wholly Owned Restricted Subsidiary***" means, at any time, a Restricted Subsidiary all the Voting Stock of which (other than directors' qualifying shares) is at such time owned, directly or indirectly, by the Company and its other Wholly Owned Subsidiaries.

Section 1.02. **Other Definitions.**

Term	Defined in Section
"Acceleration Notice"	6.02
"Affiliate Transaction"	4.14
"Additional Amounts"	4.19
"Authentication Order"	2.02(d)
"Base Currency"	12.14
"Benefited Party"	10.01
"Brazilian Guarantor"	10.01
"Change of Control Amount"	4.17
"Change of Control Offer"	4.17
"Change of Control Payment"	4.17
"Covenant Defeasance"	8.03
"cross acceleration provisions"	6.01(e)
"DTC"	2.03(b)
"Engagement Letter"	7.04
"Event of Default"	6.01
"Excluded Holder"	4.19

Term	Defined in Section
"Judgment Currency"	12.14
"judgment default provisions"	6.01(f)
"Legal Defeasance"	8.02
"losses"	7.07
"Offer Amount"	3.09
"Offer Period"	3.09
"Offer to Purchase"	3.09
"Paying Agent"	2.03
"Prepayment Offer"	4.12
"Purchase Date"	3.09
"Purchase Price"	3.09
"Registrar"	2.03
"security default provisions"	6.01(j)
"Security Register"	2.03
"Suspension Period"	4.20(b)

Section 1.03. **Incorporation by Reference of Trust Indenture Act.**

(a) Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference in and made a part of this Indenture.

(b) The following TIA terms are formulated in this Indenture as follows:

"***indenture securities***" under the TIA means the Notes and the Subsidiary Guaranties;

"***indenture security holder***" under the TIA means a Holder of a Note;

"***indenture to be qualified***" under the TIA means this Indenture;

"***indenture trustee***" or "***institutional trustee***" under the TIA means the Trustee; and

"***obligor***" under the TIA means the Company and any successor obligor upon the Notes.

(c) All other terms used in this Indenture that are defined by the TIA, defined by TIA reference to another statute or defined by Commission rule under the TIA and not otherwise defined herein have the meanings so assigned to them either in the TIA or by another statute or Commission rule, as applicable.

Section 1.04. **Rules of Construction.**

(a) Unless the context otherwise requires:

(i) a term has the meaning assigned to it;

(ii) an accounting term not otherwise defined herein has the meaning assigned to it in accordance with GAAP;

(iii) "or" is not exclusive, unless the context otherwise provides;

(iv) words in the singular include the plural, and in the plural include the singular;

(v) all references in this instrument to "Articles," "Sections" and other subdivisions are to the designated Articles, Sections and subdivisions of this instrument as originally executed;

(vi) the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

(vii) "including" means "including without limitation;"

(viii) provisions apply to successive events and transactions; and

(ix) references to sections of or rules under the Securities Act, the Exchange Act or the TIA shall be deemed to include substitute, replacement or successor sections or rules adopted by the Commission from time to time thereunder.

ARTICLE 2.

THE NOTES.

Section 2.01. **Form and Dating.**

(a) ***General***. The Notes and the Trustee's certificate of authentication shall be substantially in the form included in Exhibit A hereto, which is hereby incorporated in and expressly made part of this Indenture. The Notes may have notations, legends or endorsements required by law, trading market or depository rule or usage in addition to those set forth on Exhibit A. Each Note shall be dated the date of its authentication. The Notes shall be in denominations of $2,000 and integral multiples of $1,000 in excess thereof. The terms and provisions contained in the Notes shall constitute a part of this Indenture and the Company, the Subsidiary Guarantors and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. To the extent any provision of any Note conflicts with the express provisions of this Indenture, the provisions of this Indenture shall govern and be controlling.

(b) ***Form of Notes***. The Notes shall be issued initially in global form and shall be substantially in the form of Exhibit A attached hereto (including the Global Note Legend thereon and the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Notes issued in definitive form shall be substantially in the form of Exhibit A attached hereto (but without the Global Note Legend thereon and without the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Each Global Note shall represent such aggregate principal amount of the outstanding Notes as shall be specified therein and each shall provide that it shall represent the aggregate principal amount of outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions and transfers of interests therein. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes represented thereby shall be made by the Trustee or the Custodian, at the direction of the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.06.

(c) ***Book-Entry Provisions***. This Section 2.01(c) shall apply only to Global Notes deposited with the Trustee as custodian for the Depositary. Participants and Indirect Participants shall have no rights under this Indenture or any Global Note with respect to any Global Note held on their behalf by the Depositary or by the Trustee as custodian for the Depositary, and the Depositary shall be treated by the Company, the Trustee and any agent of the Company or the Trustee as the absolute owner of such Global Note for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Company, the Trustee or any agent of the Company or the Trustee from giving effect to any written certification, proxy or other authorization furnished by the Depositary or impair, as between the Depositary and its Participants or Indirect Participants, the Applicable Procedures or the operation of customary practices of the Depositary governing the exercise of the rights of a holder of a beneficial interest in any Global Note.

(d) ***Euroclear and Clearstream Procedures Applicable***. The provisions of the "Operating Procedures of the Euroclear System" and "Terms and Conditions Governing Use of Euroclear" and the "General Terms and Conditions of Clearstream" and "Customer Handbook" of Clearstream shall be applicable to transfers of beneficial interests in Global Notes that are held by Participants through Euroclear or Clearstream.

(e) ***Certificated Securities***. The Company shall exchange Global Notes for Definitive Notes if: (i) at any time the Depositary notifies the Company that it is unwilling or unable to continue to act as Depositary

for the Global Notes or if at any time the Depositary shall no longer be eligible to act as such because it ceases to be a clearing agency registered under the Exchange Act, and, in either case, the Company shall not have appointed a successor Depositary within 120 days after the Company receives such notice or becomes aware of such ineligibility, or (ii) upon written request of a Holder or the Trustee if a Default or Event of Default shall have occurred and be continuing.

Upon the occurrence of any of the events set forth in clauses (e)(i) or (e)(ii) of this Section 2.01, the Company shall execute, and, upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate and deliver, Definitive Notes, in authorized denominations, in an aggregate principal amount equal to the principal amount of the Global Notes in exchange for such Global Notes.

Upon the exchange of a Global Note for Definitive Notes, such Global Note shall be cancelled by the Trustee or an agent of the Company or the Trustee. Definitive Notes issued in exchange for a Global Note pursuant to this Section 2.01 shall be registered in such names and in such authorized denominations as the Depositary, pursuant to instructions from its Participants or its Applicable Procedures, shall instruct the Trustee or an agent of the Company or the Trustee in writing. The Trustee or such agent shall deliver such Definitive Notes to or as directed by the Persons in whose names such Definitive Notes are so registered or to the Depositary.

Section 2.02. **Execution and Authentication.**

(a) One Officer shall execute the Notes on behalf of the Company by manual or facsimile signature.

(b) If an Officer whose signature is on a Note no longer holds that office at the time a Note is authenticated by the Trustee, the Note shall nevertheless be valid.

(c) A Note shall not be valid until authenticated by the manual signature of the Trustee. The signature of the Trustee shall be conclusive evidence that the Note has been authenticated under this Indenture.

(d) The Trustee shall, upon a written order of the Company signed by an Officer (an "***Authentication Order***"), authenticate Notes for issuance.

(e) The Trustee may appoint an authenticating agent acceptable to the Company to authenticate Notes. Unless otherwise provided in such appointment, an authenticating agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent shall have the same rights as the Trustee to deal with Holders, the Company or an Affiliate of the Company.

Section 2.03. **Registrar and Paying Agent.**

(a) The Company shall maintain an office or agency where Notes may be presented for registration of transfer or for exchange ("***Registrar***") and an office or agency where Notes may be presented for payment ("***Paying Agent***"). The Registrar shall keep a register (the "***Security Register***") of the Notes and of their transfer and exchange. The Company may appoint one or more co-registrars and one or more additional paying agents. The term "Registrar" includes any co-registrar and the term "Paying Agent" includes any additional paying agent. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company shall notify the Trustee in writing of the name and address of any Agent not a party to this Indenture. If the Company fails to appoint or maintain another entity as Registrar or Paying Agent, the Trustee shall act as such. The Company or any of its Subsidiaries may act as Paying Agent or Registrar.

(b) The Company initially appoints The Depository Trust Company ("***DTC***") to act as Depositary with respect to the Global Notes.

(c) The Company initially appoints the Trustee to act as Registrar and Paying Agent and to act as Custodian with respect to the Global Notes, and the Trustee hereby agrees so to initially act.

Section 2.04. **Paying Agent to Hold Money in Trust.**

The Company shall require each Paying Agent other than the Trustee to agree in writing that the Paying Agent shall hold in trust for the benefit of Holders or the Trustee all money held by the Paying Agent for the payment of principal, premium, if any, or interest on the Notes, and shall notify the Trustee of any default by the Company in making any such payment. While any such default continues, the Trustee may require a Paying Agent to pay all funds held by it relating to the Notes to the Trustee. The Company at any time may require a Paying Agent to pay all funds held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Company or a Subsidiary) shall have no further liability for such funds. If the Company or a Subsidiary acts as Paying Agent, it shall segregate and hold in a separate trust fund for the benefit of the Holders all funds held by it as Paying Agent. Upon any Event of Default under Sections 6.01(g) and (h) relating to the Company, the Trustee shall serve as Paying Agent for the Notes.

Section 2.05. **Holder Lists.**

The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all Holders and shall otherwise comply with TIA §312(a). If the Trustee is not the Registrar, the Company shall furnish or cause to be furnished to the Trustee at least seven Business Days before each Interest Payment Date and at such other times as the Trustee may request in writing, a list in such form and as of such date or such shorter time as the Trustee may allow, as the Trustee may reasonably require of the names and addresses of the Holders and the Company shall otherwise comply with TIA §312(a).

Section 2.06. **Transfer and Exchange.**

(a) ***Transfer and Exchange of Global Notes***. A Global Note may not be transferred as a whole except by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. Upon the occurrence of any of the events set forth in Section 2.01(e), Definitive Notes shall be issued in denominations of $2,000 and integral multiples of $1,000 in excess thereof and in such names as the Depositary shall instruct the Trustee in writing. Global Notes also may be exchanged or replaced, in whole or in part, as provided in Sections 2.07 and 2.10. Except as provided above, every Note authenticated and delivered in exchange for, or in lieu of, a Global Note or any portion thereof, pursuant to this Section 2.06 or Section 2.07 or 2.10, shall be authenticated and delivered in the form of, and shall be, a Global Note. A Global Note may not be exchanged for another Note other than as provided in this Section 2.06(a), and beneficial interests in a Global Note may not be transferred and exchanged other than as provided in Section 2.06(b), (c), (f) or (j).

(b) ***Transfer and Exchange of Beneficial Interests in the Global Notes***. The transfer and exchange of beneficial interests in the Global Notes shall be effected through the Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. Beneficial interests in the Restricted Global Notes shall be subject to restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act. Transfers of beneficial interests in Global Notes also shall require compliance with either clause (b)(i) or (b)(ii) of this Section 2.06, as applicable, as well as one or more of the other following clauses, as applicable:

(i) Transfer of Beneficial Interests in the Same Global Note. Beneficial interests in any Restricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Note in accordance with the transfer restrictions set forth in the Private Placement Legend and any Applicable Procedures. Beneficial interests in any Unrestricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note. Except as may be required by any Applicable Procedures or set forth in the Private Placement Legend, no written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this Section 2.06(b)(i).

(ii) All Other Transfers and Exchanges of Beneficial Interests in Global Notes. In connection with all transfers and exchanges of beneficial interests that are not subject to Section 2.06(b)(i), the transferor of such beneficial interest must deliver to the Registrar either (A)(1) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures

directing the Depositary to credit or cause to be credited a beneficial interest in another Global Note in an amount equal to the beneficial interest to be transferred or exchanged and (2) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase or (B)(1) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to cause to be issued a Definitive Note in an amount equal to the beneficial interest to be transferred or exchanged and (2) instructions given by the Depositary to the Registrar containing information regarding the Person in whose name such Definitive Note shall be registered to effect the transfer or exchange referred to in (B)(1) above. Upon consummation of an Exchange Offer by the Company in accordance with Section 2.06(f), the requirements of this Section 2.06(b)(ii) shall be deemed to have been satisfied upon receipt by the Registrar of the instructions contained in the Letter of Transmittal delivered by the Holder of such beneficial interests in the Restricted Global Notes. Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Notes contained in this Indenture and the Notes or otherwise applicable under the Securities Act, the Trustee shall adjust the principal amount of the relevant Global Note(s) pursuant to Section 2.06(h).

(iii) Transfer of Beneficial Interests in a Restricted Global Note to Another Restricted Global Note. A holder of a beneficial interest in a Restricted Global Note may transfer such beneficial interest to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Note if the transfer complies with the requirements of Section 2.06(b)(ii) and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in the 144A Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof or, if permitted by the Applicable Procedures, item (3) thereof;

(B) if the transferee will take delivery in the form of a beneficial interest in the Regulation S Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transferee is required by the Applicable Procedures to take delivery in the form of a beneficial interest in the IAI Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications and certificates and Opinion of Counsel required by item (3) thereof, if applicable.

(iv) Transfer or Exchange of Beneficial Interests in a Restricted Global Note for Beneficial Interests in an Unrestricted Global Note. A holder of a beneficial interest in a Restricted Global Note may exchange such beneficial interest for a beneficial interest in an Unrestricted Global Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note only if the exchange or transfer complies with the requirements of Section 2.06(b)(ii) and:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with a Registration Rights Agreement and the holder of the beneficial interest, in the case of an exchange, or the transferee, in the case of a transfer, makes any and all certifications required in the applicable Letter of Transmittal (or is deemed to have made such certifications if delivery is made through the Applicable Procedures) as may be required by such Registration Rights Agreement;

(B) such transfer is effected pursuant to a Shelf Registration Statement in accordance with a Registration Rights Agreement;

(C) such transfer is effected by a broker-dealer pursuant to an Exchange Offer Registration Statement in accordance with a Registration Rights Agreement; or

(D) the Registrar receives the following:

(1) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(a) thereof; or

(2) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this clause (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer complies with the Securities Act and that the restrictions on transfer contained herein and in the first two paragraphs of the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act; or

(E) such transfer is effected pursuant to an automatic exchange in accordance with Section 2.06(j) of this Indenture.

If any such transfer is effected pursuant to clause (b)(iv)(B), (b)(iv)(D) or (b)(iv)(E) of this Section 2.06 at a time when an Unrestricted Global Note has not yet been issued, the Company shall execute and, upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to clause (b)(iv)(B), (b)(iv)(D) or (b)(iv)(E) of this Section 2.06.

(v) Transfer or Exchange of Beneficial Interests in an Unrestricted Global Note for Beneficial Interests in a Restricted Global Note Prohibited. Beneficial interests in an Unrestricted Global Note may not be exchanged for, or transferred to Persons who take delivery thereof in the form of, beneficial interests in a Restricted Global Note.

(c) ***Transfer and Exchange of Beneficial Interests in Global Notes for Definitive Notes.***

(i) Transfer or Exchange of Beneficial Interests in Restricted Global Notes to Restricted Definitive Notes. If any holder of a beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Definitive Note, then, upon receipt by the Registrar of the following documentation:

(A) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such beneficial interest is being transferred to a "Non-U.S. Person" in an offshore transaction (as defined in Section 902(k) of Regulation S) in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such beneficial interest is being transferred to an Institutional Accredited Investor in reliance on an exemption from the registration requirements of the Securities Act other than those listed in clauses (B) through (D) above, a certificate to the effect set forth in Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3)(d) thereof, if applicable; or

(F) if such beneficial interest is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof,

the Trustee shall reduce or cause to be reduced in a corresponding amount pursuant to Section 2.06(h), the aggregate principal amount of the applicable Restricted Global Note, and the Company shall execute and, upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate and deliver a Restricted Definitive Note in the appropriate principal amount to the Person designated by the holder of such beneficial interest in the instructions delivered to the Registrar by the Depositary and the applicable Participant or Indirect Participant on behalf of such holder. Any Restricted Definitive Note issued in exchange for beneficial interests in a Restricted Global Note pursuant to this Section 2.06(c)(i) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall designate in such instructions. The Trustee shall deliver such Restricted Definitive Notes to the Persons in whose names such Notes are so registered. Any Restricted Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c)(i) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(ii) Transfer or Exchange of Beneficial Interests in Restricted Global Notes to Unrestricted Definitive Notes. A holder of a beneficial interest in a Restricted Global Note may exchange such beneficial interest for an Unrestricted Definitive Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note only if:

(A) such exchange or transfer is effected pursuant to an Exchange Offer in accordance with a Registration Rights Agreement and the holder of such beneficial interest, in the case of an exchange, or the transferee, in the case of a transfer, makes any and all certifications in the applicable Letter of Transmittal (or is deemed to have made such certifications if delivery is made through the Applicable Procedures) as may be required by such Registration Rights Agreement;

(B) such transfer is effected pursuant to a Shelf Registration Statement in accordance with a Registration Rights Agreement;

(C) such transfer is effected by a broker-dealer pursuant to an Exchange Offer Registration Statement in accordance with a Registration Rights Agreement; or

(D) the Registrar receives the following:

(1) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(b) thereof; or

(2) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this clause (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer complies with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of any of the conditions of any of the clauses of this Section 2.06(c)(ii), the Company shall execute and, upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate and deliver an Unrestricted Definitive Note in the appropriate principal amount to the Person designated by the holder of such beneficial interest in instructions delivered to the Registrar by the Depositary and the applicable Participant or Indirect Participant on behalf of such holder, and the Trustee shall reduce or cause to be reduced in a corresponding amount pursuant to Section 2.06(h), the aggregate principal amount of the applicable Restricted Global Note.

(iii) Transfer or Exchange of Beneficial Interests in Unrestricted Global Notes to Unrestricted Definitive Notes. If any holder of a beneficial interest in an Unrestricted Global Note proposes to exchange such beneficial interest for an Unrestricted Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note, then, upon satisfaction of the applicable conditions set forth in Section 2.06(b)(ii), the Trustee shall reduce or cause to be reduced in a corresponding amount pursuant to Section 2.06(h), the aggregate principal amount of the applicable Unrestricted Global Note, and the Company shall execute, and, upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate and deliver an Unrestricted Definitive Note in the appropriate principal amount to the Person designated by the holder of such beneficial interest in instructions delivered to the Registrar by the Depositary and the applicable Participant or Indirect Participant on behalf of such holder. Any Unrestricted Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(iii) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall designate in such instructions. The Trustee shall deliver such Unrestricted Definitive Notes to the Persons in whose names such Notes are so registered. Any Unrestricted Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(iii) shall not bear the first two paragraphs of the Private Placement Legend.

(d) ***Transfer and Exchange of Definitive Notes for Beneficial Interests in the Global Notes.***

(i) Transfer or Exchange of Restricted Definitive Notes to Beneficial Interests in Restricted Global Notes. If any Holder of a Restricted Definitive Note proposes to exchange such Restricted Definitive Note for a beneficial interest in a Restricted Global Note or to transfer such Restricted Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Note proposes to exchange such Restricted Definitive Note for a beneficial interest in a Restricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Note is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such Restricted Definitive Note is being transferred to a “non-U.S. Person” in an offshore transaction (as defined in Rule 902(k) of Regulation S) in accordance with Rule 903 or

Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such Restricted Definitive Note is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such Restricted Definitive Note is being transferred to an Institutional Accredited Investor in reliance on an exemption from the registration requirements of the Securities Act other than those listed in clauses (d)(i)(B) through (D) of this Section 2.06, a certificate to the effect set forth in Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3)(d) thereof, if applicable; or

(F) if such Restricted Definitive Note is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof,

the Trustee shall cancel the Restricted Definitive Note, increase or cause to be increased in a corresponding amount pursuant to Section 2.06(h), the aggregate principal amount of, in the case of clause (d)(i)(A) of this Section 2.06, the appropriate Restricted Global Note, in the case of clause (d)(i)(B) of this Section 2.06, a 144A Global Note, in the case of clause (d)(i)(C) of this Section 2.06, a Regulation S Global Note, and in all other cases, a IAI Global Note.

(ii) Transfer or Exchange of Restricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes. A Holder of a Restricted Definitive Note may exchange such Restricted Definitive Note for a beneficial interest in an Unrestricted Global Note or transfer such Restricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note only if:

(A) such exchange or transfer is effected pursuant to an Exchange Offer in accordance with a Registration Rights Agreement and the holder of such beneficial interest, in the case of an exchange, or the transferee, in the case of a transfer, makes any and all certifications in the applicable Letter of Transmittal (or is deemed to have made such certifications if delivery is made through the Applicable Procedures) as may be required by such Registration Rights Agreement;

(B) such transfer is effected pursuant to a Shelf Registration Statement in accordance with a Registration Rights Agreement;

(C) such transfer is effected by a broker-dealer pursuant to an Exchange Offer Registration Statement in accordance with a Registration Rights Agreement; or

(D) the Registrar receives the following:

(1) if the Holder of such Restricted Definitive Note proposes to exchange such Restricted Definitive Note for a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(c) thereof; or

(2) if the Holder of such Restricted Definitive Note proposes to transfer such Restricted Definitive Note to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this clause (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer shall be effected in compliance with the Securities Act and that the restrictions on transfer contained herein and in the first two paragraphs of the Private Placement Legend shall no longer be required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of any of the clauses in this Section 2.06(d)(ii), the Trustee shall cancel such Restricted Definitive Note and increase or cause to be increased in a corresponding amount pursuant to Section 2.06(h), the aggregate principal amount of the Unrestricted Global Note.

(iii) Transfer or Exchange of Unrestricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes. A Holder of an Unrestricted Definitive Note may exchange such Unrestricted Definitive Note for a beneficial interest in an Unrestricted Global Note or transfer such Unrestricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note at any time. Upon receipt of a request for such an exchange or transfer, the Trustee shall cancel the applicable Unrestricted Definitive Note and increase or cause to be increased in a corresponding amount pursuant to Section 2.06(h) the aggregate principal amount of one of the Unrestricted Global Notes.

(iv) Transfer or Exchange of Unrestricted Definitive Notes to Beneficial Interests in Restricted Global Notes Prohibited. An Unrestricted Definitive Note may not be exchanged for, or transferred to Persons who take delivery thereof in the form of, beneficial interests in a Restricted Global Note.

(v) Issuance of Unrestricted Global Notes. If any such exchange or transfer of a Definitive Note for a beneficial interest in an Unrestricted Global Note is effected pursuant to clause (ii)(B), (ii)(D) or (iii) of this Section 2.06 at a time when an Unrestricted Global Note has not yet been issued, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of Definitive Notes so transferred.

(e) ***Transfer and Exchange of Definitive Notes for Definitive Notes.*** Upon request by a Holder of Definitive Notes and such Holder's compliance with the provisions of this Section 2.06(e), the Registrar shall register the transfer or exchange of Definitive Notes. Prior to such registration of transfer or exchange, the requesting Holder shall present or surrender to the Registrar the Definitive Notes duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder. In addition, the requesting Holder shall provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 2.06(e).

(i) Transfer of Restricted Definitive Notes to Restricted Definitive Notes. Any Restricted Definitive Note may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Note if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A, a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transfer will be made pursuant to Rule 903 or Rule 904, a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, a certificate in the form of Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable.

(ii) Transfer or Exchange of Restricted Definitive Notes to Unrestricted Definitive Notes. Any Restricted Definitive Note may be exchanged by the Holder thereof for an Unrestricted Definitive Note or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Note only if:

(A) such exchange or transfer is effected pursuant to an Exchange Offer in accordance with a Registration Rights Agreement and the holder, in the case of an exchange, or the transferee, in the case of a transfer, makes any and all certifications in the applicable Letter of Transmittal (or is deemed to have made such certifications if delivery is made through the Applicable Procedures) as may be required by a Registration Rights Agreement;

(B) any such transfer is effected pursuant to a Shelf Registration Statement in accordance with a Registration Rights Agreement;

(C) any such transfer is effected by a broker-dealer pursuant to an Exchange Offer Registration Statement in accordance with a Registration Rights Agreement; or

(D) the Registrar receives the following:

(1) if the Holder of such Restricted Definitive Note proposes to exchange such Restricted Definitive Notes for an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(d) thereof; or

(2) if the Holder of such Restricted Definitive Notes proposes to transfer such Restricted Definitive Notes to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this clause (D), if the Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer complies with the Securities Act and that the restrictions on transfer contained herein and in the first two paragraphs of the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of any of the clauses of this Section 2.06(e)(ii), the Trustee shall cancel the prior Restricted Definitive Note and the Company shall execute, and upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate and deliver an Unrestricted Definitive Note in the appropriate aggregate principal amount to the Person designated by the holder of such prior Restricted Definitive Note in instructions delivered to the Registrar by such holder.

(iii) Transfer of Unrestricted Definitive Notes to Unrestricted Definitive Notes. A holder of Unrestricted Definitive Notes may transfer such Unrestricted Definitive Notes to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Notes pursuant to the instructions from the holder thereof.

(f) ***Exchange Offer***. Upon the occurrence of an Exchange Offer in accordance with a Registration Rights Agreement, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate (i) one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of the beneficial interests in the applicable Restricted Global Notes (1) tendered for acceptance by Persons that make any and all certifications in the applicable Letters of Transmittal (or are deemed to have made such certifications if delivery is made through the Applicable Procedures) as may be required by such Registration Rights Agreement and (2) accepted for exchange in such Exchange Offer and (ii) Unrestricted Definitive Notes in an aggregate principal amount equal to the aggregate principal amount of the

Restricted Definitive Notes tendered for acceptance by Persons who made the foregoing certifications and accepted for exchange in the Exchange Offer. Concurrently with the issuance of such Notes, the Trustee shall reduce or cause to be reduced in a corresponding amount the aggregate principal amount of the applicable Restricted Global Notes, and the Company shall execute and, upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate and deliver to the Persons designated by the Holders of Restricted Definitive Notes so accepted Unrestricted Definitive Notes in the appropriate aggregate principal amount. All Restricted Definitive Notes tendered shall be delivered to the Trustee for cancellation.

(g) ***Legends***. The following legends shall appear on the face of all Global Notes and Definitive Notes issued under this Indenture unless specifically stated otherwise in the applicable provisions of this Indenture.

(i) Private Placement Legend.

(A) Except as permitted by clause (B) below, each Global Note and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form:

"THIS SECURITY (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THIS SECURITY MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.

THE HOLDER OF THIS SECURITY AGREES FOR THE BENEFIT OF THE COMPANY THAT (A) THIS SECURITY MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (I) TO THE COMPANY OR ANY OF ITS SUBSIDIARIES, (II) IN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (III) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT, (IV) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), (V) TO AN "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(a)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT IS AN INSTITUTIONAL ACCREDITED INVESTOR ACQUIRING THE SECURITY FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF SUCH AN INSTITUTIONAL ACCREDITED INVESTOR IN EACH CASE IN A MINIMUM PRINCIPAL AMOUNT OF THE SECURITIES OF $250,000, FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TO OR FOR OFFER OR SALE IN CONNECTION WITH ANY DISTRIBUTION IN VIOLATION OF THE SECURITIES ACT OR (VI) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH OF CASES (I) THROUGH (VI) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND IN EACH OF CASES (III), (IV) AND (V) SUBJECT TO THE COMPANY'S AND THE TRUSTEE'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS SECURITY FROM IT OF THE RESALE RESTRICTIONS REFERRED TO IN (A) ABOVE.

THIS SECURITY HAS NOT BEEN QUALIFIED BY PROSPECTUS OR OTHERWISE PURSUANT TO CANADIAN SECURITIES LAWS. UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THIS SECURITY BEFORE THE DATE

THAT IS FOUR MONTHS AND A DAY AFTER THE LATER OF (I) AUGUST 11, 2009 AND (II) THE DATE THE ISSUER BECAME A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY."

(B) Notwithstanding the foregoing, any Global Note or Definitive Note issued pursuant to clauses (b)(iv), (c)(ii), (c)(iii), (d)(ii), (d)(iii), (e)(ii), (e)(iii), (f) or (j) to this Section 2.06 (and all Notes issued in exchange therefor or substitution thereof) shall not bear the first two paragraphs of the Private Placement Legend.

(ii) Global Note Legend. Each Global Note shall bear a legend in substantially the following form:

"THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (I) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (II) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (III) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (IV) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN DEFINITIVE FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

(h) ***Cancellation and/or Adjustment of Global Notes.*** At such time as all beneficial interests in a particular Global Note have been exchanged for Definitive Notes or a particular Global Note has been redeemed, repurchased or cancelled in whole and not in part, each such Global Note shall be returned to or retained and cancelled by the Trustee in accordance with Section 2.11. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note or for Definitive Notes, the aggregate principal amount of Notes represented by such Global Note shall be reduced accordingly and an endorsement shall be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note, the aggregate principal amount of such other Global Note shall be increased accordingly and an endorsement shall be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such increase.

(i) ***General Provisions Relating to Transfers and Exchanges.***

(i) No service charge shall be made to a holder of a beneficial interest in a Global Note or to a Holder of a Definitive Note for any registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in

connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 2.10, 3.06, 4.12, 4.17 and 9.05).

(ii) All Global Notes and Definitive Notes issued upon any registration of transfer or exchange of Global Notes or Definitive Notes shall be the valid obligations of the Company, evidencing the same debt as the Global Notes or Definitive Notes surrendered upon such registration of transfer or exchange and shall be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

(iii) Neither the Registrar nor the Company shall be required (A) to issue, to register the transfer of or to exchange any Notes during a period beginning at the opening of business 15 days before the day of any selection of Notes for redemption under Section 3.02 and ending at the close of business on the date of selection, (B) to register the transfer of or to exchange any Note so selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part or (C) to register the transfer of or to exchange a Note between a record date (including a Regular Record Date) and the next succeeding Interest Payment Date.

(iv) Prior to due presentment for the registration of transfer of any Note, the Trustee, any Agent and the Company may deem and treat the Person in whose name any Note is registered as the absolute owner of such Note for the purpose of receiving payment of principal of, premium, if any, and interest on such Note and for all other purposes, in each case regardless of any notice to the contrary.

(v) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile.

(vi) The Trustee is hereby authorized and directed to enter into a letter of representation with the Depositary in the form provided by the Company and to act in accordance with such letter.

(j) ***Automatic Exchange from Restricted Global Note to Unrestricted Global Note***. At the option of the Company and upon compliance with the following procedures, beneficial interests in a Restricted Global Note shall be exchanged for beneficial interests in an Unrestricted Global Note. In order to effect such exchange, the Company shall provide written notice to the Trustee instructing the Trustee to (i) direct the Depositary to transfer the specified amount of the outstanding beneficial interests in a particular Restricted Global Note to an Unrestricted Global Note and provide the Depositary with all such information as is necessary for the Depositary to appropriately credit and debit the relevant Holder accounts and (ii) provide prior written notice to all Holders of such exchange, which notice must include the date such exchange is proposed to occur, the CUSIP number of the relevant Restricted Global Note and the CUSIP number of the Unrestricted Global Note into which such Holders' beneficial interests will be exchanged. As a condition to any such exchange pursuant to this Section 2.06(j), the Trustee shall be entitled to receive from the Company, and rely upon conclusively without any liability, an Officer's Certificate and an Opinion of Counsel, in form and in substance reasonably satisfactory to the Trustee, to the effect that such transfer of beneficial interests to the Unrestricted Global Note shall be effected in compliance with the Securities Act. The Company may request from Holders such information it reasonably determines is required in order to be able to deliver such Officer's Certificate and Opinion of Counsel. Upon such exchange of beneficial interests pursuant to this Section 2.06(j), the Registrar shall reflect on its books and records the date of such transfer and a decrease and increase, respectively, in the principal amount of the applicable Restricted Global Note and the Unrestricted Global Note, respectively, equal to the principal amount of beneficial interests transferred. Following any such transfer pursuant to this Section 2.06(j) of all of the beneficial interests in a Restricted Global Note, such Restricted Global Note shall be cancelled.

Section 2.07. **Replacement Notes.**

If any mutilated Note is surrendered to the Trustee, or if the Company and the Trustee receive evidence to their satisfaction of the destruction, loss or theft of any Note, the Company shall issue and, upon receipt

of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate and deliver in exchange therefor a replacement Note of like tenor and principal amount, bearing a number not contemporaneously outstanding. If required by the Trustee or the Company, the Holder of such Note shall provide indemnity that is sufficient, in the judgment of the Company and the Trustee, to protect the Company, the Trustee, any Agent and any authenticating agent from any loss that any of them may suffer in connection with such replacement. If required by the Trustee or the Company, such Holder shall reimburse the Company for its reasonable expenses in connection with such replacement.

Every replacement Note issued in accordance with this Section 2.07 shall be the valid obligation of the Company, evidencing the same debt as the destroyed, lost or stolen Note, and shall be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

Section 2.08. **Outstanding Notes.**

(a) The Notes outstanding at any time shall be the entire principal amount of Notes represented by all of the Global Notes and Definitive Notes authenticated by the Trustee except for those cancelled by it, those delivered to it for cancellation, those subject to reductions in beneficial interests effected by the Trustee in accordance with Section 2.06, and those described in this Section 2.08 as not outstanding. Except as set forth in Section 2.09, a Note shall not cease to be outstanding because the Company or an Affiliate of the Company holds the Note; *provided*, *however*, that Notes held by the Company or a Subsidiary of the Company shall be deemed not to be outstanding for purposes of Section 3.07(c).

(b) If a Note is replaced pursuant to Section 2.07, it shall cease to be outstanding unless the Trustee receives proof satisfactory to it that the replaced note is held by a bona fide purchaser.

(c) If the principal amount of any Note is considered paid under Section 4.01, it shall cease to be outstanding and interest on it shall cease to accrue.

(d) If the Paying Agent (other than the Company, a Subsidiary or an Affiliate of any thereof) holds, on a redemption date, a Purchase Date or a maturity date, funds sufficient to pay Notes payable on that date, then on and after that date such Notes shall be deemed to be no longer outstanding and shall cease to accrue interest.

Section 2.09. **Treasury Notes.**

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by the Company, or by any Affiliate of the Company, shall be considered as though not outstanding, except that for the purposes of determining whether the Trustee shall be protected in relying on any such direction, waiver or consent, only Notes that the Trustee knows are so owned shall be so disregarded.

Section 2.10. **Temporary Notes.**

Until certificates representing Notes are ready for delivery, the Company may prepare and, upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate temporary Notes. Temporary Notes shall be substantially in the form of Definitive Notes but may have variations that the Company considers appropriate for temporary Notes and as shall be reasonably acceptable to the Trustee. Without unreasonable delay, the Company shall prepare and the Trustee shall authenticate Global Notes or Definitive Notes in exchange for temporary Notes, as applicable. After preparation of Definitive Notes, the Temporary Note will be exchangeable for Definitive Notes upon surrender of the Temporary Notes.

Holders of temporary Notes shall be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

Section 2.11. **Cancellation.**

The Company at any time may deliver Notes to the Trustee for cancellation. The Registrar and Paying Agent shall forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. Upon sole direction of the Company, the Trustee and no one else shall cancel all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation and shall destroy cancelled Notes (subject to the record retention requirements of the Exchange Act or other applicable laws) unless by written order, signed by an Officer of the Company, the Company directs them to be returned to it. Certification of the destruction of all cancelled Notes shall be delivered to the Company from time to time upon request. The Company may not issue new Notes to replace Notes that it has paid or that have been delivered to the Trustee for cancellation.

Section 2.12. **Payment of Interest; Defaulted Interest.**

If the Company defaults in a payment of interest on the Notes, it shall pay the defaulted interest in any lawful manner plus, to the extent lawful, interest payable on the defaulted interest, to the Persons who are Holders on a subsequent special record date, in each case at the rate provided in the Notes and in Section 4.01. In such event, the Company shall notify the Trustee in writing of the amount of defaulted interest proposed to be paid on each Note and the date of the proposed payment and shall fix or cause to be fixed each such special record date and payment date; *provided* that no such special record date shall be less than 10 days prior to the related Interest Payment Date for such defaulted interest. At least 15 days before any such special record date, the Company (or, upon the written request of the Company, the Trustee in the name and at the expense of the Company) shall mail or cause to be mailed to Holders a notice that states the special record date, the related Interest Payment Date and the amount of such interest to be paid.

Section 2.13. **Additional Interest.**

If Additional Interest is payable by the Company pursuant to a Registration Rights Agreement and paragraph 1 of the Notes, the Company shall deliver to the Trustee a certificate to that effect stating (i) the amount of such Additional Interest that is payable and (ii) the date on which such interest is payable pursuant to Section 4.01. Unless and until a Responsible Officer of the Trustee receives such a certificate or instruction or direction from the Holders in accordance with the terms of this Indenture, the Trustee may assume without inquiry that no Additional Interest is payable. The foregoing shall not prejudice the rights of the Holders with respect to their entitlement to Additional Interest as otherwise set forth in this Indenture or the Notes and pursuing any action against the Company directly or otherwise directing the Trustee to take any such action in accordance with the terms of this Indenture and the Notes. If the Company has paid Additional Interest directly to the Persons entitled to it, the Company shall deliver to the Trustee an Officers' Certificate setting forth the details of such payment.

Section 2.14. **CUSIP or ISIN Numbers.**

The Company in issuing the Notes may use "CUSIP" and/or "ISIN" numbers (if then generally in use), and, if so, the Trustee shall use "CUSIP" and/or "ISIN" numbers in notices of redemption or Offers to Purchase as a convenience to Holders; *provided*, *however*, that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Notes or as contained in any notice of a redemption or notice of an Offer to Purchase and that reliance may be placed only on the other identification numbers printed on the Notes, and any such redemption or Offer to Purchase shall not be affected by any defect in or omission of such numbers. The Company shall promptly notify the Trustee of any change in the "CUSIP" and/or "ISIN" numbers.

Section 2.15. **Issuance of Additional Notes**

The Company shall be entitled, subject to its compliance with Section 4.09, to issue Additional Notes under this Indenture which shall have identical terms as the Initial Notes issued on the date hereof, other than with respect to the date of issuance, issue price and rights under a related Registration Rights Agreement, if any. The Initial Notes issued on the date hereof, any Additional Notes and all Exchange Notes issued in exchange

therefor shall be treated as a single class for all purposes under this Indenture, including directions, waivers, amendments, consents, redemptions and Offers to Purchase.

With respect to any Additional Notes, the Company shall set forth in a Board Resolution and an Officers' Certificate, a copy of each of which shall be delivered to the Trustee, the following information:

(a) the aggregate principal amount of such Additional Notes to be authenticated and delivered pursuant to this Indenture;

(b) the issue price, the issue date and the CUSIP and/or ISIN number of such Additional Notes; *provided*, *however*, that Additional Notes may be issued only if they are fungible with the other Notes issued under this Indenture for United States federal income tax purposes; and

(c) whether such Additional Notes shall be subject to the restrictions on transfer set forth in Section 2.06 relating to Restricted Global Notes and Restricted Definitive Notes.

Section 2.16. **Record Date.**

The record date for purposes of determining the identity of Holders of Notes entitled to vote or consent to any action by vote or consent or permitted under this Indenture shall be determined as provided for in TIA Section 316(c).

Section 2.17. **Pro Rata Payments.**

If on any given day the Company makes a payment to the Paying Agent or the Trustee in respect of the Notes and such payment is not sufficient to pay all amounts due and payable on such date in respect of such Notes, such payment shall be applied to the amounts then due and payable on the subject Notes on a *pro rata* basis based on the amounts then due and payable on such Notes.

ARTICLE 3.

REDEMPTION AND PREPAYMENT

Section 3.01. **Notices to Trustee.**

If the Company elects to redeem Notes pursuant to the optional redemption provisions of Section 3.07, it shall furnish to the Trustee, at least 30 days but not more than 60 days before a redemption date (or such shorter period as allowed by the Trustee), an Officers' Certificate setting forth (a) the applicable section of this Indenture pursuant to which the redemption shall occur, (b) the redemption date, (c) the principal amount of Notes to be redeemed and (d) the calculation of the redemption price but need not include the redemption price itself.

Section 3.02. **Selection of Notes to Be Redeemed.**

If less than all of the Notes are to be redeemed at any time, the Trustee shall select the Notes to be redeemed among the Holders in compliance with the requirements of the principal national securities exchange, if any, on which the Notes are listed or, if the Notes are not so listed, on a *pro rata* basis, by lot or in accordance with any other method the Trustee deems fair and appropriate. In the event of partial redemption by lot, the particular Notes to be redeemed shall be selected, unless otherwise provided herein, not less than 30 nor more than 60 days prior to the redemption date by the Trustee from the outstanding Notes not previously called for redemption.

The Trustee shall promptly notify the Company in writing of the Notes selected for redemption and, in the case of any Note selected for partial redemption, the principal amount thereof to be redeemed. Notes and portions of Notes selected shall be in amounts of $2,000 or integral multiples of $1,000 in excess thereof; except that if all of the Notes of a Holder are to be redeemed, the entire outstanding amount of Notes held by such Holder, even

if not an integral multiple of $1,000, shall be redeemed. Except as provided in the preceding sentence, provisions of this Indenture that apply to Notes called for redemption also apply to portions of Notes called for redemption.

Section 3.03. **Notice of Redemption.**

At least 30 days but not more than 60 days prior to a redemption date, the Company shall mail or cause to be mailed, by first class mail, a notice of redemption to each Holder whose Notes are to be redeemed at such Holder's registered address appearing in the Security Register.

The notice shall identify the Notes to be redeemed and shall state:

(a) the redemption date;

(b) the appropriate method for calculation of the redemption price, but need not include the redemption price itself; the actual redemption price shall be set forth in an Officers' Certificate delivered to the Trustee no later than two (2) Business Days prior to the redemption date unless clause (2) of the definition of "Comparable Treasury Price" is applicable, in which case such Officer's Certificate should be delivered on the redemption date;

(c) if any Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed and that, after the redemption date upon surrender of such Note, if applicable, a new Note or Notes in principal amount equal to the unredeemed portion shall be issued upon cancellation of the original Note;

(d) the name and address of the Paying Agent;

(e) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(f) that, unless the Company defaults in making such redemption payment, interest on Notes called for redemption ceases to accrue on and after the redemption date;

(g) the applicable section of this Indenture pursuant to which the Notes called for redemption are being redeemed; and

(h) that no representation is made as to the correctness of the CUSIP and/or ISIN numbers, if any, listed in such notice or printed on the Notes.

At the Company's request, the Trustee shall give the notice of redemption in the Company's name and at its expense; *provided*, *however*, that the Company shall have delivered to the Trustee, at least 45 days (or such shorter period allowed by the Trustee), prior to the redemption date, an Officers' Certificate requesting that the Trustee give such notice (in the name and at the expense of the Company) and setting forth the information to be stated in such notice as provided in this Section 3.03.

Section 3.04. **Effect of Notice of Redemption.**

Once notice of redemption is mailed in accordance with Section 3.03, Notes called for redemption shall become irrevocably due and payable on the redemption date at the redemption price. A notice of redemption may not be conditional.

Section 3.05. **Deposit of Redemption Price.**

On or prior to 11:00 a.m. Eastern time on the Business Day prior to any redemption date, the Company shall deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption price of and, if applicable, accrued and unpaid interest on all Notes to be redeemed on that date. The Trustee or the Paying Agent shall promptly, and in any event within two (2) Business Days after the redemption date, return to the

Company any money deposited with the Trustee or the Paying Agent by the Company in excess of the amounts necessary to pay the redemption price of, and accrued and unpaid interest, if any, on, all Notes to be redeemed.

If the Company complies with the provisions of the preceding paragraph, on and after the redemption date, interest shall cease to accrue on the Notes or the portions of Notes called for purchase or redemption in accordance with Section 2.08(d), whether or not such Notes are presented for payment. If a Note is redeemed on or after a Regular Record Date but on or prior to the related Interest Payment Date, then any accrued and unpaid interest, if any, shall be paid to the Person in whose name such Note was registered at the close of business on such Regular Record Date. If any Note called for redemption shall not be so paid upon surrender for redemption because of the failure of the Company to comply with the preceding paragraph, interest shall be paid on the unpaid principal from the redemption date until such principal is paid, and to the extent lawful on any interest not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 4.01.

Section 3.06. **Notes Redeemed in Part.**

Upon surrender of a Note that is redeemed in part, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate for the Holder at the expense of the Company a new Note equal in principal amount to the unredeemed portion of the Note surrendered.

Section 3.07. **Optional Redemption.**

(a) Except as set forth in clauses (b), (c) and (d) of this Section 3.07, the Notes will not be redeemable at the option of the Company prior to August 15, 2012. Starting on that date, the Company may redeem all or any portion of the Notes, at once or over time, after giving the required notice under Section 3.03. The Notes may be redeemed at the redemption prices set forth below, plus accrued and unpaid interest, if any, to but excluding the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date). The following prices are for Notes redeemed during the periods set forth below, and are expressed as percentages of principal amount:

Year	Redemption Price
August 15, 2012 through February 14, 2013	108.625%
February 15, 2013 through February 14, 2014	105.750%
February 15, 2014 and thereafter	100.000%

(b) At any time prior to August 15, 2012, the Company may from time to time redeem all or any portion of the Notes after giving the required notice under Section 3.03 at a redemption price equal to the greater of:

(i) 100% of the principal amount of the Notes to be redeemed; and

(ii) the sum of the present values of (1) the redemption price of the Notes at August 15, 2012 (as set forth in the preceding paragraph) and (2) the remaining scheduled payments of interest from the redemption date through August 15, 2012, but excluding accrued and unpaid interest through the redemption date, discounted to the redemption date (assuming a 360-day year consisting of twelve 30-day months), at the Treasury Rate plus 50 basis points,

plus, in either case, accrued and unpaid interest, if any, to but excluding the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

(c) At any time and from time to time prior to August 15, 2012, the Company may redeem up to a maximum of 35% of the original aggregate principal amount of the Notes (including any Additional Notes) with the proceeds of one or more Public Equity Offerings at a redemption price equal to 111.500% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest, if any, to the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date);

provided, however, that after giving effect to any such redemption, at least 65% of the original aggregate principal amount of the Notes (including any Additional Notes) remains outstanding. Notice of any such redemption shall be made within 90 days of such Public Equity Offering and such redemption shall be effected upon not less than 30 nor more than 60 days' prior notice to the Holders as provided in Section 3.03.

(d) The Company may, at its option, at any time redeem in whole but not in part the outstanding Notes at a redemption price equal to 100% of the principal amount thereof plus accrued and unpaid interest, if any, to the redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date) if it has become obligated to pay any Additional Amounts in respect of the Notes as a result of:

(i) any change in or amendment to the laws (or regulations promulgated thereunder) of any Taxing Jurisdiction; or

(ii) any change in or amendment to any official position regarding the application or interpretation of such laws or regulations, which change or amendment is announced or is effective on or after the Issue Date.

(e) Any redemption to this Section 3.07 shall be made pursuant to the provisions of Sections 3.01 through 3.06.

Section 3.08. **Sinking Fund.**

The Company shall not be required to make sinking fund payments for the Notes.

Section 3.09. **Offer To Purchase Procedures.**

(a) In the event that, pursuant to Section 4.12 or 4.17, the Company shall be required to commence a Prepayment Offer or a Change of Control Offer (each, an "***Offer to Purchase***"), it shall follow the procedures specified below.

(b) The Company shall cause a notice of the Offer to Purchase to be sent at least once to the *Dow Jones News Service* or similar business news service in the United States.

(c) The Company shall commence the Offer to Purchase by sending, by first-class mail, with a copy to the Trustee, to each Holder at such Holder's address appearing in the Security Register, a notice the terms of which shall govern the Offer to Purchase stating:

(i) that the Offer to Purchase is being made pursuant to this Section 3.09, Section 4.12 or Section 4.17, as the case may be, and, in the case of a Change of Control Offer, that a Change of Control has occurred, the circumstances and relevant facts regarding the Change of Control (including, if applicable, information with respect to pro forma historical income, cash flow and capitalization after giving effect to the Change of Control), and that a Change of Control Offer is being made pursuant to Section 4.17;

(ii) the principal amount of Notes required to be purchased pursuant to Section 4.12 or Section 4.17, as the case may be (the "***Offer Amount***"), the purchase price set forth in Section 4.12 or Section 4.17, as the case may be (the "***Purchase Price***"), the Offer Period and the Purchase Date (each as defined below);

(iii) except as provided in clause (ix), that all Notes timely tendered and not withdrawn shall be accepted for payment;

(iv) that any Note not tendered or accepted for payment shall continue to accrue interest;

(v) that, unless the Company defaults in making such payment, any Note accepted for payment pursuant to the Offer to Purchase shall cease to accrue interest after the Purchase Date;

(vi) that Holders electing to have a Note purchased pursuant to an Offer to Purchase may elect to have Notes purchased in denominations of $2,000 or integral multiples of $1,000 in excess thereof only;

(vii) that Holders electing to have a Note purchased pursuant to any Offer to Purchase shall be required to surrender the Note, with the form entitled "Option of Holder to Elect Purchase" on the reverse of the Note completed, or transfer by book-entry transfer, to the Company, the Depositary, if appointed by the Company, or a Paying Agent at the address specified in the notice before the close of business on the third Business Day before the Purchase Date;

(viii) that Holders shall be entitled to withdraw their election if the Company, the Depositary or the Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, a telegram, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Note (or portions thereof) the Holder delivered for purchase and a statement that such Holder is withdrawing his election to have such Note purchased;

(ix) that, in the case of a Prepayment Offer, if the aggregate principal amount of Notes surrendered by Holders exceeds the Offer Amount, the Company shall select the Notes to be purchased on a *pro rata* basis (with such adjustments as may be deemed appropriate by the Company so that only Notes in denominations of $2,000 or integral multiples of $1,000 in excess thereof shall be purchased);

(x) that Holders whose Notes were purchased in part shall be issued replacement Notes equal in principal amount to the unpurchased portion of the Notes surrendered (or transferred by book-entry transfer); and

(xi) any other procedures the Holders must follow in order to tender their Notes (or portions thereof) for payment and the procedures that Holders must follow in order to withdraw an election to tender Notes (or portions thereof) for payment.

(d) The Offer to Purchase shall remain open for a period of at least 30 days but no more than 60 days following its commencement, except to the extent that a longer period is required by applicable law (the "***Offer Period***"). No later than five (5) Business Days (and in any event no later than the 60th day following the Change of Control except to the extent that a longer period is required by applicable law) after the termination of the Offer Period (the "***Purchase Date***"), the Company shall purchase the Offer Amount or, if less than the Offer Amount has been tendered, all Notes tendered in response to the Offer to Purchase. Payment for any Notes so purchased shall be made in the same manner as interest payments are made. The Company shall publicly announce the results of the Offer to Purchase on the Purchase Date.

(e) On or prior to the Purchase Date, the Company shall, to the extent lawful:

(i) accept for payment (on a *pro rata* basis to the extent necessary in connection with a Prepayment Offer), the Offer Amount of Notes or portions of Notes properly tendered and not withdrawn pursuant to the Offer to Purchase, or if less than the Offer Amount has been tendered, all Notes tendered;

(ii) deposit with the Paying Agent funds in an amount equal to the Purchase Price in respect of all Notes or portions of Notes properly tendered; and

(iii) deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions of Notes

being purchased by the Company and that such Notes or portions thereof were accepted for payment by the Company in accordance with the terms of this Section 3.09.

(f) The Paying Agent (or the Company, if acting as the Paying Agent) shall promptly (but in the case of a Change of Control, not later than 60 days from the date of the Change of Control) deliver to each tendering Holder the Purchase Price. In the event that any portion of the Notes surrendered is not purchased by the Company, the Company shall promptly execute and issue a new Note in a principal amount equal to such unpurchased portion of the Note surrendered, and, upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate and deliver (or cause to be transferred by book-entry) such new Note to such Holder, in a principal amount equal to any unpurchased portion of the Note surrendered; *provided, however*, that each such new Note shall be in a principal amount of $2,000 or an integral multiple of $1,000 in excess thereof. Any Note not so accepted shall be promptly mailed or delivered by the Company to the Holder thereof.

(g) If the Purchase Date is on or after a Regular Record Date and on or before the related Interest Payment Date, any accrued and unpaid interest on any Note shall be paid to the Person in whose name such Note is registered at the close of business on such Regular Record Date, and no additional interest shall be payable to Holders who tender Notes pursuant to the Offer to Purchase.

(h) The Company shall comply, to the extent applicable, with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the Offer to Purchase. To the extent that the provisions of any securities laws or regulations conflict with Section 4.12 or 4.17, as applicable, this Section 3.09 or other provisions of this Indenture, the Company shall comply with applicable securities laws and regulations and shall not be deemed to have breached its obligations under Section 4.12 or 4.17, as applicable, this Section 3.09 or such other provision by virtue of such compliance.

(i) Other than as specifically provided in this Section 3.09, any purchase pursuant to this Section 3.09 shall be made in accordance with the provisions of Sections 3.01 through 3.06.

ARTICLE 4.

COVENANTS

Section 4.01. **Payment of Notes.**

The Company shall pay or cause to be paid the principal of, premium, if any, and interest, including Additional Interest, if any, on, the Notes on the dates and in the manner provided in this Indenture and the Notes. Principal, premium, if any, and interest shall be considered paid on the date due if the Paying Agent, if other than the Company or a Subsidiary thereof, holds as of 10:00 a.m. Eastern Time on the due date money deposited by the Company in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest then due. Such Paying Agent shall return to the Company promptly, and in any event, no later than two (2) Business Days following the date of payment, any money (including accrued interest) that exceeds such amount of principal, premium, if any, and interest paid on the Notes. The Company shall pay Additional Interest, if any, in the same manner, on the dates and in the amounts set forth in a Registration Rights Agreement, the Notes and this Indenture. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue on such payment for the intervening period.

The Company shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, from time to time on demand at a rate that is 1% per annum in excess of the rate then in effect and it shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest (without regard to any applicable grace periods), from time to time on demand at the same rate to the extent lawful.

Interest shall be computed on the basis of a 360-day year of twelve 30-day months. For purposes of the Interest Act (Canada), the yearly rate of interest that is equivalent to the rate payable hereunder is the rate payable multiplied by the actual number of days in the year and divided by 360.

Section 4.02. **Maintenance of Office or Agency.**

(a) The Company shall maintain in the Borough of Manhattan, The City of New York, an office or agency (which may be an office or drop facility of the Trustee or an affiliate of the Trustee, Registrar or co-registrar) where Notes may be presented or surrendered for registration of transfer or for exchange and where notices and demands to or upon the Company in respect of the Notes and this Indenture may be served. The Company shall give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Company hereby appoints the Trustee as its agent to receive all such presentations, surrenders, notices and demands.

(b) The Company may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations. The Company shall give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

(c) The Company hereby designates the office of the Trustee located at 101 Barclay Street, New York, New York 10286 (Attention: Corporate Trust) as one such office, drop facility or agency of the Company in accordance with Section 2.03.

Section 4.03. **Reports.**

The Company shall provide the Trustee and Holders of Notes, within 15 days after it files with, or furnishes to, the Commission, copies of its annual report and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may by rules and regulations prescribe) which the Company is required to file with the Commission pursuant to Section 13 or 15(d) of the Exchange Act or is required to furnish to the Commission pursuant to this Indenture. Regardless of whether the Company is required to report on an annual and quarterly basis on forms provided for such annual and quarterly reporting pursuant to rules and regulations promulgated by the Commission, the Company shall continue to file with, or furnish to, the Commission and provide the Trustee and Holders of Notes:

(a) within 90 days after the end of each fiscal year (or such shorter period as the Commission may in the future prescribe), an annual report containing substantially the same information required to be contained in Form 10-K or Form 20-F (or any successor form) that would be required if the Company were subject to the reporting requirements of Section 13 or 15(d)) of the Exchange Act; and

(b) within 45 days after the end of each of the first three fiscal quarters of each fiscal year (or such shorter period as the Commission may in the future prescribe), a quarterly report containing substantially the same information required to be contained in Form 10-Q (or any successor form) that would be required if the Company were organized in the United States and subject to the reporting requirements of Section 13 or 15(d)) of the Exchange Act;

provided, *however*, that the Company shall not be so obligated to file any of the foregoing reports with the Commission if the Commission does not permit such filings.

Section 4.04. **Compliance Certificate.**

The Company shall deliver to the Trustee, within 90 days after the end of each fiscal year, an Officers' Certificate stating that to the best of his or her knowledge, after due inquiry, the Company, the Subsidiary Guarantors and their respective Subsidiaries have observed, performed and fulfilled each covenant contained in this

Indenture and are not in default in the performance or observance of any of the terms, provisions and conditions of this Indenture (or, if a Default or Event of Default shall have occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Company is taking or proposes to take with respect thereto) and that to the best of his or her knowledge no event has occurred and remains in existence by reason of which payments on account of the principal of, premium, if any, or interest, including Additional Interest, if any, on the Notes is prohibited or if such event has occurred, a description of the event and what action the Company is taking or proposes to take with respect thereto.

Section 4.05. **Taxes.**

The Company shall pay, and shall cause each of its Subsidiaries to pay, prior to delinquency, all material taxes, assessments and governmental levies, except such as are being contested in good faith and by appropriate proceedings or where the failure to effect such payment is not adverse in any material respect to the Holders.

Section 4.06. **Stay, Extension and Usury Laws.**

The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it shall not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but shall suffer and permit the execution of every such power as though no such law has been enacted.

Section 4.07. **Corporate Existence.**

Subject to Article 5 and Section 10.04, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect (i) its corporate existence, and the corporate, partnership or other existence of each Restricted Subsidiary, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Company or any such Restricted Subsidiary and (ii) the material rights (charter and statutory), licenses and franchises of the Company and its Restricted Subsidiaries; *provided, however*, that the Company shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any Restricted Subsidiary, if an Officer or the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and its Restricted Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Holders, or that such preservation is not necessary in connection with any transaction not prohibited by this Indenture.

Section 4.08. **Payments for Consent.**

The Company shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise, to or for the benefit of any Holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of this Indenture or the Notes unless such consideration is offered to be paid or is paid to all Holders that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement.

Section 4.09. **Limitation on Debt.**

The Company shall not, and shall not permit any Restricted Subsidiary to, Incur, directly or indirectly, any Debt unless, after giving effect to the application of the proceeds thereof, no Default or Event of Default would occur as a consequence of such Incurrence or be continuing following such Incurrence and either:

(1) such Debt is Debt of the Company or a Subsidiary Guarantor and, after giving effect to the Incurrence of such Debt and the application of the proceeds thereof, the Consolidated Interest Coverage Ratio would be greater than 2.00: 1.00; or

(2) such Debt is Permitted Debt.

The term "Permitted Debt" is defined to include the following:

(a) (i) Debt of the Company evidenced by the Initial Notes issued pursuant to this Indenture and the Exchange Notes issued in exchange for such Initial Notes and in exchange for any Additional Notes and (ii) Debt of the Subsidiary Guarantors evidenced by Subsidiary Guaranties relating to the Initial Notes and the Exchange Notes issued in exchange for such Notes and in exchange for any Additional Notes;

(b) Debt of the Company or a Restricted Subsidiary under Credit Facilities, *provided* that the aggregate principal amount of all such Debt under Credit Facilities at any one time outstanding shall not exceed $2.1 billion, which amount shall be permanently reduced by the amount of Net Available Cash used to Repay Debt under Credit Facilities and not subsequently reinvested in Additional Assets or used to purchase Notes or Repay other Debt, pursuant to Section 4.12;

(c) Debt of the Company or a Restricted Subsidiary in respect of Capital Lease Obligations and Purchase Money Debt, *provided* that:

(1) the aggregate principal amount of such Debt does not exceed the cost of construction, acquisition or improvement of the Property acquired, constructed or leased together with the reasonable costs of acquisition; and

(2) the aggregate principal amount of all Debt Incurred and then outstanding pursuant to this clause (c) (together with all Permitted Refinancing Debt Incurred and then outstanding in respect of Debt previously Incurred pursuant to this clause (c)) does not exceed 5% of Consolidated Net Tangible Assets;

(d) Debt of the Company owing to and held by any Wholly Owned Restricted Subsidiary and Debt of a Restricted Subsidiary owing to and held by the Company or any Wholly Owned Restricted Subsidiary; *provided, however*, that any subsequent issue or transfer of Capital Stock or other event that results in any such Wholly Owned Restricted Subsidiary ceasing to be a Wholly Owned Restricted Subsidiary or any subsequent transfer of any such Debt (except to the Company or a Wholly Owned Restricted Subsidiary) shall be deemed, in each case, to constitute the Incurrence of such Debt by the issuer thereof;

(e) Debt of a Restricted Subsidiary outstanding on the date on which such Restricted Subsidiary is acquired by the Company or otherwise becomes a Restricted Subsidiary (other than Debt Incurred as consideration in, or to provide all or any portion of the funds or credit support utilized to consummate, the transaction or series of transactions pursuant to which such Restricted Subsidiary became a Subsidiary of the Company or was otherwise acquired by the Company), provided that at the time such Restricted Subsidiary is acquired by the Company or otherwise becomes a Restricted Subsidiary and after giving effect to the Incurrence of such Debt, the Company would have been able to Incur $1.00 of additional Debt pursuant to clause (1) of the first paragraph of this Section 4.09;

(f) Debt under Interest Rate Agreements entered into by the Company or a Restricted Subsidiary for the purpose of limiting interest rate risk in the ordinary course of the financial management of the Company or such Restricted Subsidiary and not for speculative purposes, *provided* that the obligations under such agreements are directly related to payment obligations on Debt otherwise permitted by the terms of this covenant;

(g) Debt under Currency Exchange Protection Agreements entered into by the Company or a Restricted Subsidiary for the purpose of limiting currency exchange rate risks directly related to transactions entered into by the Company or such Restricted Subsidiary in the ordinary course of business and not for speculative purposes;

(h) Debt under Commodity Price Protection Agreements entered into by the Company or a Restricted Subsidiary in the ordinary course of the financial management of the Company or such Restricted Subsidiary and not for speculative purposes;

(i) Debt in connection with one or more standby letters of credit or performance bonds issued by the Company or a Restricted Subsidiary in the ordinary course of business or pursuant to self-insurance obligations and not in connection with the borrowing of money or the obtaining of advances or credit;

(j) Debt Incurred by a Securitization Entity in a Qualified Securitization Transaction that is not recourse to the Company or any Restricted Subsidiary (except for Standard Securitization Undertakings);

(k) Debt of the Company or a Restricted Subsidiary outstanding on the Issue Date not otherwise described in clauses (a) through (j) of this Section 4.09 (including in such clauses (a) through (j), but not limited to, any Debt Incurred under Credit Facilities prior to the Issue Date), other than Debt Incurred after February 3, 2005 pursuant to Section 4.09(2)(l) of the Existing Indenture;

(l) Debt of the Company or a Restricted Subsidiary in an aggregate principal amount outstanding at any one time not to exceed $150.0 million; and

(m) Permitted Refinancing Debt Incurred in respect of Debt Incurred pursuant to clause (1) of the first paragraph and clauses (a), (c) and (k) of this Section 4.09.

Notwithstanding anything to the contrary contained in this covenant, accrual of interest, accretion or amortization of original issue discount and the payment of interest or dividends in the form of additional Debt, will be deemed not to be an Incurrence of Debt for purposes of this covenant.

For purposes of determining compliance with this Section 4.09, in the event that an item of Debt meets the criteria of more than one of the categories of Permitted Debt described in clauses (a) through (m) of this Section 4.09 or is entitled to be incurred pursuant to clause (1) of the first paragraph of this of this Section 4.09, the Company shall, in its sole discretion, classify (and may later reclassify in whole or in part, in its sole discretion) such item of Debt in any manner that complies with this covenant; *provided*, *however*, that any incurrence of Debt under Credit Facilities prior to the Issue Date shall be treated as having been incurred under clause (b) of this Section 4.09.

Section 4.10. **Limitation on Restricted Payments.**

The Company shall not make, and shall not permit any Restricted Subsidiary to make, directly or indirectly, any Restricted Payment if at the time of, and after giving effect to, such proposed Restricted Payment,

(a) a Default or Event of Default shall have occurred and be continuing;

(b) the Company could not Incur at least $1.00 of additional Debt pursuant to clause (1) of the first paragraph of Section 4.09; or

(c) the sum of the aggregate amount of such Restricted Payment and all other Restricted Payments declared or made since February 3, 2005 (the amount of any Restricted Payment, if made other than in cash, to be based upon Fair Market Value at the time of such Restricted Payment) would exceed an amount equal to the sum of:

(1) 50% of the aggregate amount of Consolidated Net Income accrued during the period (treated as one accounting period) from January 1, 2005 to the end of the most recent fiscal quarter for which financial statements have been provided (or if the aggregate amount of Consolidated Net Income for such period shall be a deficit, minus 100% of such deficit), plus

(2) 100% of the Capital Stock Sale Proceeds, plus

(3) the sum of:

(A) the aggregate net cash proceeds received by the Company or any Restricted Subsidiary from the issuance or sale after February 3, 2005 of convertible or exchangeable Debt that has been converted into or exchanged for Capital Stock (other than Disqualified Stock) of the Company; and

(B) the aggregate amount by which Debt (other than Subordinated Debt) of the Company or any Restricted Subsidiary is reduced on the Company's consolidated balance sheet on or after February 3, 2005 upon the conversion or exchange of any Debt issued or sold on or prior to February 3, 2005 that is convertible or exchangeable for Capital Stock (other than Disqualified Stock) of the Company,

excluding, in the case of clause (A) or (B):

(x) any such Debt issued or sold to the Company or a Subsidiary of the Company or an employee stock ownership plan or trust established by the Company or any such Subsidiary for the benefit of their employees; and

(y) the aggregate amount of any cash or other Property distributed by the Company or any Restricted Subsidiary upon any such conversion or exchange, plus

(4) an amount equal to the sum of:

(A) the net reduction in Investments in any Person other than the Company or a Restricted Subsidiary resulting from dividends, repayments of loans or advances or other transfers of Property, in each case to the Company or any Restricted Subsidiary from such Person; and

(B) the portion (proportionate to the Company's equity interest in such Unrestricted Subsidiary) of the Fair Market Value of the net assets of an Unrestricted Subsidiary at the time such Unrestricted Subsidiary is designated a Restricted Subsidiary;

provided, however, that the foregoing sum shall not exceed, in the case of any Person, the amount of Investments previously made (and treated as a Restricted Payment) by the Company or any Restricted Subsidiary in such Person.

Notwithstanding the foregoing limitation, the Company may:

(a) pay dividends on its Capital Stock within 60 days of the declaration thereof if, on the declaration date, such dividends could have been paid in compliance with this Indenture; *provided, however*, that at the time of such payment of such dividend, no other Default or Event of Default shall have occurred and be continuing (or result therefrom); *provided further, however*, that such dividend shall be included in the calculation of the amount of Restricted Payments;

(b) purchase, repurchase, redeem, legally defease, acquire or retire for value Capital Stock of the Company or Subordinated Debt in exchange for, or out of the proceeds of the substantially concurrent sale of, Capital Stock of the Company (other than Disqualified Stock and other than Capital Stock issued or sold to a Subsidiary of the Company or an employee stock ownership plan or trust established by the Company or any such Subsidiary for the benefit of their employees); *provided, however*, that

(1) such purchase, repurchase, redemption, legal defeasance, acquisition or retirement shall be excluded in the calculation of the amount of Restricted Payments and

(2) the Capital Stock Sale Proceeds from such exchange or sale shall be excluded from the calculation pursuant to clause (c)(2) above; and

(c) purchase, repurchase, redeem, legally defease, acquire or retire for value any Subordinated Debt in exchange for, or out of the proceeds of the substantially concurrent sale of, Permitted Refinancing Debt; *provided, however*, that such purchase, repurchase, redemption, legal defeasance, acquisition or retirement shall be excluded in the calculation of the amount of Restricted Payments;

(d) repurchase shares of, or options to purchase shares of, common stock of the Company or any of its Subsidiaries from current or former officers, directors or employees of the Company or any of its Subsidiaries (or permitted transferees of such current or former officers, directors or employees); *provided, however*, that the aggregate amount of such repurchases shall not exceed $10.0 million in any calendar year and such repurchases shall be included in the calculation of the amount of Restricted Payments; and

(e) make other Restricted Payments in an aggregate amount after February 3, 2005 not to exceed $75.0 million.

Section 4.11. **Limitation on Liens.**

(a) Prior to the Notes achieving Investment Grade Status and during any period other than a Suspension Period (and during any period that this paragraph shall apply when there is no election by the Company pursuant to the following paragraph), the Company shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, Incur or suffer to exist, any Lien (other than Permitted Liens) upon any of its Property (including Capital Stock of a Restricted Subsidiary), whether owned at the Issue Date or thereafter acquired, or any interest therein or any income or profits therefrom, unless it has made or will make effective provision whereby the Notes or the applicable Subsidiary Guaranty will be secured by such Lien equally and ratably with (or, if such other Debt constitutes Subordinated Debt, prior to) all other Debt of the Company or any Restricted Subsidiary secured by such Lien for so long as such other Debt is secured by such Lien.

(b) After the Notes achieve Investment Grade Status and during any Suspension Period, the Company may elect by written notice to the Trustee and the Holders to be subject to this clause (b) in lieu of clause (a) of this Section 4.11. The Company will not, and will not permit any Restricted Subsidiary to, create, incur, assume or suffer to exist any Lien securing Debt (other than Permitted Liens pursuant to clauses (c) through (j) and (1) (but disregarding the reference to clause (b) therein) through (s) (each inclusive) of the definition of "Permitted Liens") upon (1) any Principal Property of the Company or any Restricted Subsidiary, (2) any Capital Stock of a Restricted Subsidiary or (3) any Debt of a Restricted Subsidiary owed to the Company or another Restricted Subsidiary, unless all payments due under this Indenture and the Notes are secured on an equal and ratable basis with (or prior to) the obligations so secured until such time as such other obligations are no longer secured by such lien. Notwithstanding the foregoing, after the Notes achieve Investment Grade Status and during a Suspension Period, the Company and its Restricted Subsidiaries will be permitted to create, incur, assume or suffer to exist Liens, and renew, extend or replace such Liens, in each case without complying with the foregoing; provided that the aggregate amount of all Debt of the Company and its Restricted Subsidiaries outstanding at such time that is secured by these Liens (other than (1) Debt secured solely by Permitted Liens pursuant to clauses (c) through (j) and (1) (but disregarding the reference to clause (b) therein) through (s) (each inclusive) of the definition of "Permitted Liens," (2) Debt that is secured equally and ratably with (or on a basis subordinated to) the Notes and (3) the Notes) plus the aggregate amount of all Attributable Debt of the Company and our Restricted Subsidiaries with respect to all Sale and Leaseback Transactions outstanding at such time (other than Sale and Leaseback Transactions permitted by the second paragraph under Section 4.15), would not exceed the greater of 10% of Consolidated Net Tangible Assets, determined based on the consolidated balance sheet of the Company as of the end of the most recent fiscal quarter for which financial statements have been filed or furnished and $400,000,000.

Section 4.12. **Limitation on Asset Sales.**

(a) The Company shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, consummate any Asset Sale unless:

(i) the Company or such Restricted Subsidiary receives consideration at the time of such Asset Sale at least equal to the Fair Market Value of the Property subject to such Asset Sale;

(ii) at least 75% of the consideration paid to the Company or such Restricted Subsidiary in connection with such Asset Sale is in the form of any one or a combination of the following: (A) cash, Cash Equivalents or Additional Assets, (B) the assumption by the purchasers of liabilities of the Company or any Restricted Subsidiary (other than contingent liabilities or liabilities that are by their terms subordinated to the Notes or the applicable Subsidiary Guaranty) as a result of which the Company and the Restricted Subsidiaries are no longer obligated with respect to such liabilities, or (C) securities, notes or other obligations received by the Company or such Restricted Subsidiary to the extent such securities, notes or other obligations are converted by the Company or such Restricted Subsidiary into cash, Cash Equivalents or Additional Assets within 90 days of such Asset Sale;

(iii) no Default or Event of Default would occur as a result of such Asset Sale; and

(iv) the Company delivers an Officers' Certificate to the Trustee certifying that such Asset Sale complies with the foregoing clauses (i) and (iii).

(b) The Net Available Cash (or any portion thereof, if any) from Asset Sales may be applied by the Company or a Restricted Subsidiary, to the extent the Company or such Restricted Subsidiary elects (or is required by the terms of any Debt):

(i) to Repay Senior Debt of the Company or any Subsidiary Guarantor or Debt of any Restricted Subsidiary that is not a Subsidiary Guarantor (excluding, in any such case, any Debt owed to the Company or an Affiliate of the Company); or

(ii) to reinvest in Additional Assets (including by means of an Investment in Additional Assets by a Restricted Subsidiary with Net Available Cash received by the Company or another Restricted Subsidiary).

(c) Any Net Available Cash from an Asset Sale not applied in accordance with the preceding paragraph within 365 days from the date of the receipt of such Net Available Cash or that is not segregated from the general funds of the Company for investment in identified Additional Assets in respect of a project that shall have been commenced and for which binding contractual commitments have been entered into prior to the end of such 365-day period and that shall not have been completed or abandoned, shall constitute "Excess Proceeds"; *provided*, *however*, that the amount of any Net Available Cash that ceases to be so segregated as contemplated above and any Net Available Cash that is segregated in respect of a project that is abandoned or completed shall also constitute "Excess Proceeds" at the time any such Net Available Cash ceases to be so segregated or at the time the relevant project is so abandoned or completed, as applicable; *provided further*, *however*, that the amount of any Net Available Cash that continues to be segregated for investment and that is not actually reinvested within twenty-four months from the date of the receipt of such Net Available Cash shall also constitute "Excess Proceeds."

(d) When the aggregate amount of Excess Proceeds exceeds $25.0 million, the Company will be required to make an offer to repurchase (the "***Prepayment Offer***") the Notes, which offer shall be in the amount of the Allocable Excess Proceeds (rounded to the nearest $1,000), on a *pro rata* basis according to principal amount (of a minimum $2,000 or integral multiples of $1,000 in excess thereof) at a purchase price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the repurchase date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), in accordance with the procedures (including prorating in the event of oversubscription) set forth in this Indenture. To the extent that any portion of the amount of Net Available Cash remains after compliance with the preceding sentence and provided that all Holders have been given the opportunity to tender their Notes for repurchase in accordance with this Indenture, the Company or such Restricted Subsidiary may use such remaining amount for any purpose permitted by this Indenture, and the amount of Excess Proceeds will be reset to zero.

(A) The term "Allocable Excess Proceeds" shall mean the product of:

(1) the Excess Proceeds; and

(2) a fraction,

(x) the numerator of which is the aggregate principal amount of the Notes outstanding on the date of the Prepayment Offer; and

(y) the denominator of which is the sum of the aggregate principal amount of the Notes outstanding on the date of the Prepayment Offer and the aggregate principal amount of other Debt of the Company outstanding on the date of the Prepayment Offer that is pari passu in right of payment with the Notes and subject to terms and conditions in respect of Asset Sales similar in all material respects to this covenant and requiring the Company to make an offer to repurchase such Debt at substantially the same time as the Prepayment Offer.

Within five business days after the Company is obligated to make a Prepayment Offer as described in the preceding paragraph, the Company shall send a written notice, by first-class mail, to the Holders, accompanied by such information regarding the Company and its Subsidiaries as the Company in good faith believes will enable such holders to make an informed decision with respect to such Prepayment Offer. Such notice shall state, among other things, the purchase price and the repurchase date, which shall be, subject to any contrary requirements of applicable law, a business day no earlier than 30 days nor later than 60 days from the date such notice is mailed.

(e) The Company will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue thereof.

Section 4.13. **Limitation on Restrictions on Distributions from Restricted Subsidiaries.**

The Company shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, create or otherwise cause or suffer to exist any consensual restriction on the right of any Restricted Subsidiary to:

(a) pay dividends, in cash or otherwise, or make any other distributions on or in respect of its Capital Stock, or pay any Debt or other obligation owed, to the Company or any other Restricted Subsidiary;

(b) make any loans or advances to the Company or any other Restricted Subsidiary; or

(c) transfer any of its Property to the Company or any other Restricted Subsidiary.

The foregoing limitations will not apply:

(1) to restrictions or encumbrances existing under or by reason of:

(A) agreements in effect on the Issue Date (including, without limitation, restrictions pursuant to the Notes, this Indenture, the Subsidiary Guaranties and the Senior Secured Credit Facilities), and any amendments, modifications, restatements, renewals, replacements, refundings, refinancings, increases or supplements of those agreements, *provided* that the encumbrances or restrictions contained in any such amendments, modifications, restatements, renewals, replacements, refundings, refinancings, increases or supplements taken as a whole, are not materially more restrictive than the encumbrances or restrictions contained in agreements to which they relate as in place on the Issue Date;

(B) Debt or Capital Stock of a Restricted Subsidiary existing at the time it became a Restricted Subsidiary or at the time it merges with or into the Company or a Restricted Subsidiary if such restriction was not created in connection with or in anticipation of the transaction or series of transactions pursuant to which such Restricted Subsidiary became a Restricted Subsidiary or was acquired by the Company, and any amendments, modifications, restatements, renewals, replacements, refundings, refinancings, increases or supplements of those instruments, *provided* that the encumbrances or restrictions contained in any such amendments, modifications, restatements, renewals, replacements, refundings, refinancings, increases or supplements, taken as a whole, are not materially more restrictive than the encumbrances or restrictions contained in instruments in effect on the date of acquisition;

(C) the Refinancing of Debt Incurred pursuant to an agreement referred to in clause (1)(A) or (B) above or in clause (2)(A) or (B) below, *provided* such restrictions are not materially less favorable, taken as a whole to the holders of Notes than those under the agreement evidencing the Debt so Refinanced;

(D) any applicable law, rule, regulation or order;

(E) Permitted Refinancing Debt, *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Debt, taken as a whole, are not materially more restrictive than those contained in the agreements governing the Debt being refinanced;

(F) Liens securing obligations otherwise permitted to be incurred under the provisions of the covenant described above under the caption Section 4.11 or Section 4.16 that limit the right of the debtor to dispose of the assets subject to such Liens;

(G) customary provisions limiting or prohibiting the disposition or distribution of assets or property in joint venture agreements, asset sale agreements, Sale and Leaseback Transactions, stock sale agreements and other similar agreements entered into in the ordinary course of business, which limitation or prohibition is applicable only to the assets that are the subject of such agreements;

(H) restrictions on cash or other deposits or net worth imposed by customers or lessors under contracts or leases entered into in the ordinary course of business; or

(I) arising under Debt or other contractual requirements of a Securitization Entity in connection with a Qualified Securitization Transaction; *provided* that such restrictions apply only to such Securitization Entity; and

(2) with respect to clause (c) only, to restrictions or encumbrances:

(A) relating to Debt that is permitted to be Incurred and secured without also securing the Notes or the applicable Subsidiary Guaranty pursuant to the covenants described under Section 4.09 and Section 4.11 that limit the right of the debtor to dispose of the Property securing such Debt;

(B) encumbering Property at the time such Property was acquired by the Company or any Restricted Subsidiary, so long as such restrictions relate solely to the Property so acquired and were not created in connection with or in anticipation of such acquisition;

(C) resulting from customary provisions restricting subletting or assignment of leases or customary provisions in other agreements that restrict assignment of such agreements or rights thereunder;

(D) customary restrictions contained in any asset purchase, stock purchase, merger or other similar agreement, pending the closing of the transaction contemplated thereby; or

(E) customary restrictions contained in joint venture agreements entered into in the ordinary course of business in good faith.

Section 4.14. **Limitation on Transactions with Affiliates.**

(a) The Company shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, conduct any business or enter into or suffer to exist any transaction or series of transactions (including the purchase, sale, transfer, assignment, lease, conveyance or exchange of any Property or the rendering of any service) with, or for the benefit of, any Affiliate of the Company (an "***Affiliate Transaction***"), unless:

(i) the terms of such Affiliate Transaction are no less favorable to the Company or such Restricted Subsidiary, as the case may be, than those that could be obtained in a comparable arm's length transaction with a Person that is not an Affiliate of the Company;

(ii) if such Affiliate Transaction involves aggregate payments or value in excess of $20.0 million, the Board of Directors approves such Affiliate Transaction and, in its good faith judgment, believes that such Affiliate Transaction complies with clause (a) of this Section 4.14 as evidenced by a Board Resolution promptly delivered to the Trustee; and

(iii) if such Affiliate Transaction involves aggregate payments or value in excess of $50.0 million (1) the Board of Directors (including at least a majority of the disinterested members of the Board of Directors) approves such Affiliate Transaction and, in its good faith judgment, believes that such Affiliate Transaction complies with clause (a) of this Section 4.14 as evidenced by a Board Resolution promptly delivered to the Trustee, or (2) the Company obtains a written opinion from an Independent Financial Advisor to the effect that the consideration to be paid or received in connection with such Affiliate Transaction is fair, from a financial point of view, to the Company and the Restricted Subsidiaries.

(b) Notwithstanding the foregoing limitation, the Company or any Restricted Subsidiary may enter into or suffer to exist the following, which shall not be deemed to be Affiliate Transactions and therefore will not be subject to the provisions of clauses (a)(i), (ii) and (iii) of this Section 4.14:

(i) any transaction or series of transactions between the Company and one or more Restricted Subsidiaries or between two or more Restricted Subsidiaries in the ordinary course of business, *provided* that no more than 10% of the total voting power of the Voting Stock (on a fully diluted basis) of any such Restricted Subsidiary is owned by an Affiliate of the Company (other than a Restricted Subsidiary);

(ii) any Restricted Payment permitted to be made pursuant to Section 4.10 or any Permitted Investment;

(iii) any employment, compensation, benefit or indemnification agreement or arrangement (and any payments or other transactions pursuant thereto) entered into by the Company or any Restricted Subsidiary in the ordinary course of business (or that is otherwise reasonable as determined in good faith by the board of directors of the Company or the Restricted Subsidiary, as the case may be) with an officer, employee, consultant or director and any transactions pursuant to stock option plans, stock ownership plans and employee benefit plans or arrangements;

(iv) loans and advances to employees made in the ordinary course of business other than any loans or advances that would be in violation of Section 402 of the Sarbanes-Oxley Act; *provided* that the Dollar Equivalent of the aggregate principal amount of such loans and advances do not exceed $15.0 million in the aggregate at any time outstanding;

(v) any transactions between or among any of the Company, any Restricted Subsidiary and any Securitization Entity in connection with a Qualified Securitization Transaction, in each case *provided* that such transactions are not otherwise prohibited by terms of this Indenture;

(vi) agreements in effect on the Issue Date and any amendments, modifications, extensions or renewals thereto that are no less favorable to the Company or any Restricted Subsidiary than such agreements as in effect on the Issue Date;

(vii) transactions with a Person that is an Affiliate of the Company solely because the Company or a Restricted Subsidiary owns Capital Stock of and/or controls, such Person;

(viii) payment of fees and expenses to directors who are not otherwise employees of the Company or a Restricted Subsidiary, for services provided in such capacity, so long as the Board of Directors or a duly authorized committee thereof shall have approved the terms thereof;

(ix) the granting and performance of registration rights for shares of Capital Stock of the Company under a written registration rights agreement approved by the Company's Board of Directors as a duly authorized committee thereof; and

(x) transactions with Affiliates solely in their capacity as holders of Debt or Capital Stock of the Company or any of its Subsidiaries, *provided* that a significant amount of Debt or Capital Stock of the same class is also held by persons that are not Affiliates of the Company and those Affiliates are treated no more favorably than holders of the Debt or Capital Stock generally.

Section 4.15. **Limitation on Sale and Leaseback Transactions.**

(a) Prior to the Notes achieving Investment Grade Status and during any period other than a Suspension Period, the Company shall not, and shall not permit any Restricted Subsidiary to, enter into any Sale and Leaseback Transaction with respect to any Property unless:

(i) the Company or such Restricted Subsidiary would be entitled to:

(A) Incur Debt in an amount equal to the Attributable Debt with respect to such Sale and Leaseback Transaction pursuant to Section 4.09; and

(B) create a Lien on such Property securing such Attributable Debt without also securing the Notes or the applicable Subsidiary Guaranty pursuant to Section 4.11; and

(ii) such Sale and Leaseback Transaction is effected in compliance with Section 4.12.

(b) After the Notes achieve Investment Grade Status or during any Suspension Period, the Company will not, and will not permit any Restricted Subsidiary to, enter into any Sale and Leaseback Transaction involving any Principal Property, except for any Sale and Leaseback Transaction involving a lease not exceeding three years unless:

(i) the Company or that Restricted Subsidiary, as applicable, would at the time of entering into the transaction be entitled to incur Debt secured by a Lien on that Principal Property in an amount equal to the Attributable Debt with respect to such Sale and Leaseback Transaction without equally and ratably securing the Notes; or

(ii) an amount equal to the net cash proceeds of the Sale and Leaseback Transaction is applied within 180 days to:

(A) the voluntary retirement or prepayment of any Debt of the Company or any Restricted Subsidiary maturing more than one year after the date incurred, and which is senior to or pari passu in right of payment with the Notes; or

(B) the purchase of other property that will constitute Principal Property having a value (as determined in good faith by the Board of Directors) in an amount at least equal to the net cash proceeds of the Sale and Leaseback Transaction; or

(iii) within the 180-day period specified in clause (2) above, the Company or that Restricted Subsidiary, as applicable, deliver to the trustee for cancellation Notes in an aggregate principal amount at least equal to the net proceeds of the Sale and Leaseback Transaction.

Notwithstanding the foregoing, after the Notes achieve Investment Grade Status or during any Suspension Period, the Company and any Restricted Subsidiary may enter into Sale and Leaseback Transactions that would not otherwise be permitted under the limitations described in the preceding paragraph, *provided* that the sum of the aggregate amount of all Debt of the Company and its Restricted Subsidiaries that is secured by Liens (other than (1) Debt secured solely by Permitted Liens pursuant to clauses (c) through (j) and (1) (but disregarding the reference to clause (b) therein) through (s) of the definition of "Permitted Liens," (2) Debt that is secured equally and ratably with (or on a basis subordinated to) the Notes and (3) the Notes) and the aggregate amount of all Attributable Debt of the Company and its Restricted Subsidiaries with respect to all Sale and Leaseback Transactions outstanding at such time (other than Sale and Leaseback Transactions permitted by the preceding paragraph) would not exceed 10% of the Consolidated Net Tangible Assets of the Company and its Restricted Subsidiaries.

Section 4.16. **Designation of Restricted and Unrestricted Subsidiaries.**

The Board of Directors may designate any Subsidiary of the Company to be an Unrestricted Subsidiary if:

(a) the Subsidiary to be so designated does not own any Capital Stock or Debt of, or own or hold any Lien on any Property of, the Company or any other Restricted Subsidiary; and

(b) either:

(1) the Subsidiary to be so designated has total assets of $1,000 or less; or

(2) such designation is effective immediately upon such entity becoming a Subsidiary of the Company; or

(3) the Investment by the Company or another Restricted Subsidiary in such Subsidiary is treated as a Restricted Payment under Section 4.10 and such Restricted Payment is permitted under such covenant at the time such Investment is made.

Unless so designated as an Unrestricted Subsidiary, any Person that becomes a Subsidiary of the Company will be classified as a Restricted Subsidiary; *provided, however*, that such Subsidiary shall not be designated a Restricted Subsidiary and shall be automatically classified as an Unrestricted Subsidiary if either of the requirements set forth in clauses (x) and (y) of the second immediately following paragraph will not be satisfied after giving pro forma effect to such classification or if such Person is a Subsidiary of an Unrestricted Subsidiary.

Except as provided in the preceding paragraph, no Restricted Subsidiary may be redesignated as an Unrestricted Subsidiary, and neither the Company nor any Restricted Subsidiary shall at any time be directly or indirectly liable for any Debt that provides that the Holder thereof may (with the passage of time or notice or both) declare a default thereon or cause the payment thereof to be accelerated or payable prior to its Stated Maturity upon the occurrence of a default with respect to any Debt, Lien or other obligation of any Unrestricted Subsidiary (including any right to take enforcement action against such Unrestricted Subsidiary). Upon designation of a Restricted Subsidiary as an Unrestricted Subsidiary in compliance with this covenant, such Restricted Subsidiary

shall, by execution and delivery of a supplemental indenture in form satisfactory to the Trustee, be released from any Subsidiary Guaranty previously made by such Restricted Subsidiary.

The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary if, immediately after giving pro forma effect to such designation,

(x) the Company could Incur at least $1.00 of additional Debt pursuant to clause (1) of the first paragraph of Section 4.09; and

(y) no Default or Event of Default shall have occurred and be continuing or would result therefrom.

Any such designation or redesignation by the Board of Directors will be evidenced to the Trustee by filing with the Trustee a Board Resolution giving effect to such designation or redesignation and an Officers' Certificate that:

(a) certifies that such designation or redesignation complies with the foregoing provisions; and

(b) gives the effective date of such designation or redesignation,

such filing with the Trustee to occur within 45 days after the end of the fiscal quarter of the Company in which such designation or redesignation is made (or, in the case of a designation or redesignation made during the last fiscal quarter of the Company's fiscal year, within 90 days after the end of such fiscal year).

Section 4.17. **Change of Control Offer.**

(a) Upon the occurrence of a Change of Control, the Company shall, within 30 days of a Change of Control, make an offer (the "***Change of Control Offer***") pursuant to the procedures set forth in Section 3.09. Each Holder shall have the right to accept such offer and require the Company to repurchase all or any portion (equal to $2,000 or integral multiples of $1,000 in excess thereof) of such Holder's Notes pursuant to the Change of Control Offer at a purchase price, in cash (the "***Change of Control Amount***"), equal to 101% of the aggregate principal amount of Notes repurchased, plus in each case accrued and unpaid interest, including Additional Interest, if any, on the Notes repurchased, to the repurchase date.

(b) The Company will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Indenture applicable to the Company and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer.

Section 4.18. **Future Subsidiary Guarantors.**

The Company shall cause each Person that is or becomes (a) a Canadian Restricted Subsidiary or U.S. Restricted Subsidiary or (b) a Restricted Subsidiary that is a Guarantor of Debt in the future under Credit Facilities, *provided* that the borrower of such Debt is the Company or a Canadian Restricted Subsidiary or U.S. Restricted Subsidiary, in each case following the Issue Date, to execute and deliver to the Trustee a Subsidiary Guaranty at the time such Person becomes a Canadian Restricted Subsidiary or U.S. Restricted Subsidiary or otherwise becomes obligated to become a Subsidiary Guarantor under this Indenture.

Section 4.19. **Additional Amounts.**

(a) Payments made by or on behalf of the Company under or with respect to the Notes will be made free and clear of and without withholding or deduction for or on account of any Taxes imposed or levied by or on behalf of a Taxing Jurisdiction, unless the Company or any Subsidiary Guarantor is required by law to withhold or deduct Taxes from any payment made under or with respect to the Notes or by the interpretation or administration thereof. If, after the Issue Date, the Company or any Subsidiary Guarantor is so required to withhold

or deduct any amount for or on account of Taxes from any payment made under or with respect to the Notes, the Company or such Subsidiary Guarantor will pay to each Holder of Notes that are outstanding on the date of the required payment, such additional amounts ("***Additional Amounts***") as may be necessary so that the net amount received by such Holder (including the Additional Amounts) after such withholding or deduction will not be less than the amount such Holder would have received if such Taxes had not been withheld or deducted; *provided* that no Additional Amounts will be payable with respect to a payment made to a Holder (an "***Excluded Holder***"):

(i) with which the Company or such Subsidiary Guarantor does not deal at arm's length (within the meaning of the Income Tax Act (Canada)) at the time of making such payment; or

(ii) which is subject to such Taxes by reason of its being connected with the relevant Taxing Jurisdiction otherwise than by the mere acquisition, holding or disposition of the Notes or the Subsidiary Guaranty or the receipt of payments thereunder.

(b) The Company and the Subsidiary Guarantors will also:

(i) make such withholding or deduction; and

(ii) remit the full amount deducted or withheld to the relevant authority in accordance with applicable law.

(c) The Company and the Subsidiary Guarantors will furnish to the Trustee, or cause to be furnished to the Trustee, within 30 days after the date the payment of any Taxes is due pursuant to applicable law, certified copies of tax receipts evidencing that such payment has been made by the Company or any such Subsidiary Guarantor or other evidence of such payment satisfactory to the Trustee. The Trustee shall make such evidence available upon the written request of any Holder of Notes that are outstanding on the date of any such withholding or deduction.

(d) The Company and the Subsidiary Guarantors will indemnify and hold harmless each Holder of Notes that are outstanding on the date of the required payment (other than an Excluded Holder) and upon written request reimburse each such Holder for the amount of:

(i) any Taxes so levied or imposed by or on behalf of a Taxing Jurisdiction and paid by such holder as a result of payments made under or with respect to the Notes and any liability (including penalties, interest and expense) arising therefrom or with respect thereto; and

(ii) any Taxes (other than Taxes on such Holder's profits or net income) imposed with respect to any reimbursement under clause (d)(i) of this Section 4.19 so that the net amount received by such Holder after such reimbursement will not be less than the net amount such holder would have received if such reimbursement had not been imposed.

(e) At least 30 days prior to each date on which any payment under or with respect to the Notes is due and payable, if the Company or any such Subsidiary Guarantor becomes obligated to pay Additional Amounts with respect to such payment, the Company or such Subsidiary Guarantor will deliver to the Trustee an Officers' Certificate stating the fact that such Additional Amounts will be payable, and the amounts so payable and will set forth such other information as is necessary to enable the Trustee to pay such Additional Amounts to the Holders on the payment date. Whenever in this Indenture there is mentioned, in any context:

(i) the payment of principal (and premium, if any);

(ii) purchase prices in connection with a repurchase of Notes;

(iii) interest; or

(iv) any other amount payable on or with respect to any of the Notes,

such mention shall be deemed to include mention of the payment of Additional Amounts provided for in this Section 4.19 to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

Section 4.20. **Covenant Termination and Suspension**

(a) All of the covenants set forth in Article 4 shall be applicable to the Company and its Restricted Subsidiaries unless the Company reaches Investment Grade Status. Once the Company has reached Investment Grade Status, and notwithstanding that the Company may later cease to have an Investment Grade Rating from either or both of the Rating Agencies, the Company and its Restricted Subsidiaries shall be released from their obligations to comply with Sections 4.09, 4.10, 4.11 (*provided, however*, that clause (a) thereof shall continue to apply until the Company otherwise elects to have clause (b) thereof apply as provided therein) 4.12, 4.13, 4.14 and 4.15(a) but shall remain obligated to comply with the following:

(i) Sections 4.01 through 4.08;

(ii) Section 4.16 (other than clause (x) of the third paragraph thereof (and such clause (x) as referred to in the first paragraph thereunder));

(iii) Section 4.17;

(iv) Section 4.18; and

(v) Section 4.19.

The Company and the Subsidiary Guarantors shall also, upon reaching Investment Grade Status, remain obligated to comply with Section 5.01 (other than clause (e) of the first and second paragraph thereunder).

(b) If, prior to the Company reaching Investment Grade Status, the Notes receive an Investment Grade Rating from one of the Rating Agencies and no Default or Event of Default has occurred and is continuing then, beginning on that day and continuing until the Investment Grade Rating assigned by that Rating Agency to the Notes subsequently decline as a result of which the Notes do not carry an Investment Grade Rating from at least one Rating Agency (such period being referred to as a ("***Suspension Period***"), the covenants set forth in Article 4, except for clause (a) of Section 4.11 (until the Company otherwise elects to have clause (b) thereof apply as provided therein), the covenants specifically listed in clauses (a)(i) to (v) of this Section 4.20, and clause (e) of the first and second paragraphs of Section 5.01, will be suspended and will not be applicable during that Suspension Period.

In the event that the Company and the Restricted Subsidiaries are not subject to the suspended covenants for any period of time as a result of the preceding paragraph and, subsequently, the Rating Agency withdraws its ratings or downgrades the ratings assigned to the Notes below the required Investment Grade Ratings or a Default or Event of Default occurs and is continuing, then the Company and the Restricted Subsidiaries will from such time and thereafter again be subject to all of the suspended covenants, and compliance with such covenants with respect to Restricted Payments made after the time of such withdrawal, downgrade, Default or Event of Default will be calculated in accordance with the terms of Section 4.10 as though Section 4.10 had been in effect during the entire period of time from the Issue Date.

ARTICLE 5.

SUCCESSORS

Section 5.01. **Merger, Consolidation and Sale of Property.**

The Company shall not merge, consolidate or amalgamate with or into any other Person (other than a merger of a Wholly Owned Restricted Subsidiary into the Company) or sell, transfer, assign, lease, convey or otherwise dispose of all or substantially all its Property in any one transaction or series of transactions unless:

(a) the Company shall be the Surviving Person in such merger, consolidation or amalgamation, or the Surviving Person (if other than the Company) formed by such merger, consolidation or amalgamation or to which such sale, transfer, assignment, lease, conveyance or disposition is made shall be a corporation organized and existing under the laws of the United States, any State thereof, the District of Columbia, Canada or any province or territory of Canada;

(b) the Surviving Person (if other than the Company) expressly assumes, by supplemental indenture in form satisfactory to the Trustee, executed and delivered to the Trustee by such Surviving Person, the due and punctual payment of the principal of, and premium, if any, and interest on, all the Notes, according to their tenor, and the due and punctual performance and observance of all the covenants and conditions of this Indenture to be performed by the Company;

(c) in the case of a sale, transfer, assignment, lease, conveyance or other disposition of all or substantially all the Property of the Company, such Property shall have been transferred as an entirety or virtually as an entirety to one Person;

(d) immediately before and after giving effect to such transaction or series of transactions on a *pro forma* basis (and treating, for purposes of this clause (d) and clause (e) of this Section 5.01, any Debt that becomes, or is anticipated to become, an obligation of the Surviving Person or any Restricted Subsidiary as a result of such transaction or series of transactions as having been Incurred by the Surviving Person or such Restricted Subsidiary at the time of such transaction or series of transactions), no Default or Event of Default shall have occurred and be continuing;

(e) except in the case of a transaction constituting a Permitted Holdings Amalgamation under the Senior Secured Credit Facilities, immediately after giving effect to such transaction or series of transactions on a pro forma basis, the Company or the Surviving Person, as the case may be, would be able to Incur at least $1.00 of additional Debt under clause (1) of the first paragraph of Section 4.09;

(f) the Company shall deliver, or cause to be delivered, to the Trustee, in form and substance reasonably satisfactory to the Trustee, an Officers' Certificate and an Opinion of Counsel, each stating that such transaction or series of transactions and the supplemental indenture, if any, in respect thereto comply with this covenant and that all conditions precedent herein provided for relating to such transaction or series of transactions have been satisfied;

(g) the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the Holders will not recognize income, gain or loss for United States Federal income tax purposes as a result of such transaction or series of transactions and will be subject to United States Federal income tax on the same amounts, in the same manner and at the same times as would be the case if such transaction or series of transactions had not occurred; and

(h) the Company shall have delivered to the Trustee an Opinion of Counsel in Canada to the effect that Holders will not recognize income, gain or loss for Canadian federal, provincial or territorial income tax purposes as a result of such transaction or series of transactions and will be subject to Canadian federal, provincial or territorial income taxes (including withholding taxes) on the same amounts, in the same manner and at the same times as would be the case if such transaction or series of transactions had not occurred.

The foregoing provisions (other than clause (d)) shall not apply to any transaction or series of transactions which constitute an Asset Sale if the Company has complied with Section 4.12.

The Company shall not permit any Subsidiary Guarantor to merge, consolidate or amalgamate with or into any other Person (other than a merger of a Wholly Owned Restricted Subsidiary into the Company or such Subsidiary Guarantor) or sell, transfer, assign, lease, convey or otherwise dispose of all or substantially all its Property in any one transaction or series of transactions unless:

(a) the Surviving Person (if other than such Subsidiary Guarantor) formed by such merger, consolidation or amalgamation or to which such sale, transfer, assignment, lease, conveyance or disposition is made shall be a corporation, company (including a limited liability company) or partnership organized and existing under the laws of the United States, any State thereof, the District of Columbia or Canada or any province or territory of Canada;

(b) the Surviving Person (if other than such Subsidiary Guarantor) expressly assumes, by supplemental indenture in form satisfactory to the Trustee, executed and delivered to the Trustee by such Surviving Person, the due and punctual performance and observance of all the obligations of such Subsidiary Guarantor under its Subsidiary Guaranty;

(c) in the case of a sale, transfer, assignment, lease, conveyance or other disposition of all or substantially all the Property of such Subsidiary Guarantor, such Property shall have been transferred as an entirety or virtually as an entirety to one Person;

(d) immediately before and after giving effect to such transaction or series of transactions on a pro forma basis (and treating, for purposes of this clause (d) and clause (e) of this Section 5.01, any Debt that becomes, or is anticipated to become, an obligation of the Surviving Person, the Company or any Restricted Subsidiary as a result of such transaction or series of transactions as having been Incurred by the Surviving Person, the Company or such Restricted Subsidiary at the time of such transaction or series of transactions), no Default or Event of Default shall have occurred and be continuing;

(e) immediately after giving effect to such transaction or series of transactions on a pro forma basis, the Company would be able to Incur at least $1.00 of additional Debt under clause (1) of the first paragraph of Section 4.09;

(f) the Company shall deliver, or cause to be delivered, to the Trustee, in form and substance reasonably satisfactory to the Trustee, an Officers' Certificate and an Opinion of Counsel, each stating that such transaction or series of transactions and such Subsidiary Guaranty, if any, in respect thereto comply with this covenant and that all conditions precedent herein provided for relating to such transaction or series of transactions have been satisfied;

(g) the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the Holders will not recognize income, gain or loss for Federal income tax purposes as a result of such transaction or series of transactions and will be subject to Federal income tax on the same amounts, in the same manner and at the same times as would be the case if such transaction or series of transactions had not occurred; and

(h) the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that Holders will not recognize income, gain or loss for Canadian federal, provincial or territorial income tax purposes as a result of such transaction or series of transactions and will be subject to Canadian federal, provincial or territorial income taxes (including withholding taxes) on the same amounts, in the same manner and at the same times as would be the case if such transaction or series of transactions had not occurred.

The foregoing provisions (other than clause (d)) shall not apply to any transaction or series of transactions which constitute an Asset Sale if the Company has complied with Section 4.12.

Section 5.02. **Successor Corporation Substituted.**

The Surviving Person shall succeed to, and be substituted for, and may exercise every right and power of the Company under this Indenture (or of the Subsidiary Guarantor under the Subsidiary Guaranty, as the case may be), but the predecessor Company in the case of:

(a) a sale, transfer, assignment, conveyance or other disposition (unless such sale, transfer, assignment, conveyance or other disposition is of all the assets of the Company as an entirety or virtually as an entirety); or

(b) a lease,

shall not be released from any of the obligations or covenants under this Indenture, including with respect to the payment of the Notes.

ARTICLE 6.

DEFAULTS AND REMEDIES

Section 6.01. **Events of Default.**

Each of the following constitutes an "Event of Default" with respect to the Notes:

(a) failure to make the payment of any interest, including Additional Interest, if any, on any of the Notes when the same becomes due and payable, and such failure continues for a period of 30 days;

(b) failure to make the payment of any principal of, or premium, if any, on, any of the Notes when the same becomes due and payable at its Stated Maturity, upon acceleration, redemption, optional redemption, required repurchase or otherwise;

(c) failure to comply with the provisions of Section 5.01;

(d) failure to comply with any other covenant or agreement in the Notes or in this Indenture (other than a failure that is the subject of the foregoing clause (a), (b) or (c)), and such failure continues for 60 days after written notice is given to the Company as provided below;

(e) a default under any Debt by the Company or any Restricted Subsidiary that results in acceleration of the maturity of such Debt, or failure to pay any such Debt at maturity, in an aggregate amount greater than $50 million (the "***cross acceleration provisions***");

(f) any judgment or judgments for the payment of money in an aggregate amount in excess of $50 million that shall be rendered against the Company or any Restricted Subsidiary and that shall not be waived, satisfied or discharged for any period of 60 consecutive days during which a stay of enforcement shall not be in effect (the "***judgment default provisions***");

(g) the Company or any of its Significant Subsidiaries or any group of Subsidiaries that, when taken together, would constitute a Significant Subsidiary pursuant to or within the meaning of any Bankruptcy Law:

(i) commences a voluntary case or proceeding, or gives notice of intention to make a proposal, under any Bankruptcy Law;

(ii) consents to the entry of an order for relief against it in an involuntary case or consents to its dissolution or winding up;

(iii) consents to the appointment of a receiver, interim receiver, receiver and manager, liquidator, trustee or custodian of it or for all or substantially all of its property;

(iv) makes a general assignment for the benefit of its creditors; or

(v) admits in writing its inability to pay its debts as they become due or otherwise admits its insolvency, or takes any comparable action under any foreign laws relating to insolvency;

(h) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(i) is for relief against the Company or any of its Significant Subsidiaries or any group of Subsidiaries that, when taken together, would constitute a Significant Subsidiary in an involuntary case or proceeding; or

(ii) appoints a receiver, interim receiver, receiver and manager, liquidator, trustee or custodian of the Company or any of its Significant Subsidiaries or any group of Subsidiaries that, when taken together, would constitute a Significant Subsidiary or for all or substantially all of the property of the Company or any of its Significant Subsidiaries or any group of Subsidiaries that, when taken together, would constitute a Significant Subsidiary; or

(iii) orders the liquidation of the Company or any of its Significant Subsidiaries or any group of Subsidiaries that, when taken together, would constitute a Significant Subsidiary,

and such order or decree remains unstayed and in effect for 60 consecutive days;

(i) any Subsidiary Guaranty ceases to be in full force and effect (other than in accordance with the terms of such Subsidiary Guaranty and this Indenture) or any Subsidiary Guarantor denies or disaffirms its obligations under its Subsidiary Guaranty; and

(j) any security interest securing the Notes or any Subsidiary Guaranty that may be granted after the Issue Date pursuant to the terms of this Indenture shall, at any time, (A) cease to be in full force and effect for any reason other than in accordance with its terms or the satisfaction in full of all obligations under this Indenture and discharge of this Indenture or (B) be declared invalid or unenforceable or the Company or any Subsidiary Guarantor shall assert, in any pleading in any court of competent jurisdiction, that any such security interest is invalid or unenforceable (the "***security default provisions***").

A Default under Section 6.01(d) is not an Event of Default until the Trustee or the Holders of not less than 25% in aggregate principal amount of the Notes then outstanding notify the Company in writing by registered or certified mail, return receipt requested, of the Default and the Company does not cure such Default within the time specified in Sections 6.01(d) after receipt of such notice. Such notice must specify the Default, demand that it be remedied and state that such notice is a "Notice of Default."

Upon any Officer becoming aware of any Default or Event of Default, the Company shall deliver to the Trustee, within ten days of becoming so aware, written notice in the form of an Officers' Certificate specifying such Default or Event of Default, its status, and the action the Company proposes to take with respect thereto.

Section 6.02. **Acceleration.**

If any Event of Default (other than those of the type described in Section 6.01(g) or (h)) shall have occurred and be continuing, the Trustee may, and the Trustee upon the request of Holders of 25% in principal amount of the outstanding Notes shall, or the Holders of not less than 25% in principal amount of outstanding Notes may, declare the principal of all the Notes, plus all accrued and unpaid interest, including Additional Interest, if any, to be immediately due and payable by notice in writing to the Company and the Trustee specifying the respective Event of Default and that such notice is a notice of acceleration (the "***Acceleration Notice***"), and the same shall become immediately due and payable.

In the case of an Event of Default specified in Section (g) or (h) of Section 6.01, all outstanding Notes shall become due and payable immediately without any further declaration or other act on the part of the Trustee or the Holders. Holders may not enforce this Indenture or the Notes except as provided in this Indenture.

After any declaration of acceleration pursuant to this Section 6.02, but before a judgment or decree based on acceleration is obtained by the Trustee, the Holders of at least a majority in aggregate principal amount of the Notes then outstanding may rescind and annul such acceleration if all Events of Default, other than the

nonpayment of accelerated principal, premium or interest (including Additional Interest, if any), have been cured or waived as provided herein, if:

(a) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction;

(b) to the extent the payment of such interest is lawful, interest (at the same rate specified in the Notes) on overdue installments of interest and overdue payments of principal which has become due otherwise than by such declaration of acceleration has been paid;

(c) in the event of the cure or waiver of an Event of Default of the type described in Section 6.01(g) or (h), the Trustee has received an Officers' Certificate and, if requested, an Opinion of Counsel, that such Event of Default has been cured or waived; and

(d) the Company has paid to the Trustee all fees then due and payable or in arrears and has reimbursed the Trustee for all expenses incurred and reasonable fees paid in connection with such declaration of acceleration.

Section 6.03. **Other Remedies.**

If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal, premium and interest, including Additional Interest, if any, on the Notes or to enforce the performance of any provision of the Notes or this Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies shall be cumulative to the extent permitted by law.

Section 6.04. **Waiver of Defaults.**

The Holders of at least a majority in aggregate principal amount of the Notes then outstanding by notice to the Trustee may on behalf of the Holders of all of the Notes, waive any existing Default or Event of Default, and its consequences, except a continuing Default or Event of Default (a) in the payment of the principal of, premium, if any, or interest, including Additional Interest, if any, on the Notes and (b) in respect of a covenant or provision which under this Indenture cannot be modified or amended without the consent of the Holder of each Note affected by such modification or amendment. In the event of any Event of Default specified in Section 6.01(e), such Event of Default and all consequences of that Event of Default, including without limitation any acceleration or resulting payment default, shall be annulled, waived and rescinded, automatically and without any action by the Trustee or the Holders, if within 60 days after the Event of Default arose:

(i) the Debt that is the basis for the Event of Default has been discharged;

(ii) the holders of such Debt have rescinded or waived the acceleration, notice or action, as the case may be, giving rise to the Event of Default; or

(iii) if the default that is the basis for such Event of Default has been cured.

Upon any waiver of a Default or Event of Default, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed cured for every purpose of this Indenture but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon.

Section 6.05. **Control by Majority.**

Subject to Section 7.01, in case an Event of Default shall occur and be continuing, the Trustee will be under no obligation to exercise any of its rights or powers under this Indenture at the request or direction of any of the Holders, unless such Holders shall have offered to the Trustee reasonable indemnity. Subject to Section 7.01, 7.02 and 7.07, the Holders of at least a majority in aggregate principal amount of the Notes then outstanding will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to the Notes.

Section 6.06. **Limitation on Suits.**

No Holder will have any right to institute any proceeding with respect to this Indenture, or for the appointment of a receiver or trustee, or for any remedy thereunder, unless:

(a) such Holder has previously given to the Trustee written notice of a continuing Event of Default;

(b) Holders of at least 25% in aggregate principal amount of the Notes then outstanding have made a written request and offered reasonable indemnity to the Trustee to institute such proceeding as trustee; and

(c) the Trustee shall not have received from the Holders of at least a majority in aggregate principal amount of the Notes then outstanding a direction inconsistent with such request and shall have failed to institute such proceeding within 60 days.

The preceding limitations do not apply to a suit instituted by a Holder for enforcement of payment of the principal of, and premium, if any, or interest, including Additional Interest, if any, on, such Note on or after the respective due dates expressed in such Note.

A Holder may not use this Indenture to affect, disturb or prejudice the rights of another Holder or to obtain a preference or priority over another Holder.

Section 6.07. **Rights of Holders to Receive Payment.**

Notwithstanding any other provision of this Indenture (including Section 6.06), the right of any Holder to receive payment of principal, premium, if any, and interest, including Additional Interest, if any, on the Notes held by such Holder, on or after the respective due dates expressed in the Notes (including in connection with an offer to purchase), or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder.

Section 6.08. **Collection Suit by Trustee.**

If an Event of Default specified in Section 6.01 (a) or (b) occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Company for the whole amount of principal of, premium, if any, and interest, including Additional Interest, if any, then due and owing (together with interest, including Additional Interest, if any, on overdue principal and, to the extent lawful, interest, including Additional Interest, if any,) and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

Section 6.09. **Trustee May File Proofs of Claim.**

The Trustee shall be authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders allowed in any judicial proceedings relative to the Company (or any other obligor upon the Notes), its creditors or its

property and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims and any custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee and its agents and counsel, and any other amounts due the Trustee under Section 7.07 out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, moneys, securities and any other properties that the Holders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 6.10. **Priorities.**

If the Trustee collects any money pursuant to this Article 6, it shall pay out the money in the following order:

First: to the Trustee, its agents and attorneys for amounts due under Section 7.07, including payment of all compensation, expenses and liabilities incurred, and all advances made, by the Trustee and the costs and expenses of collection;

Second: to Holders for amounts due and unpaid on the Notes for principal, premium, if any, and interest ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, if any, and interest, respectively; and

Third: to the Company or to such party as a court of competent jurisdiction shall direct.

The Trustee may fix a record date and payment date for any payment to Holders pursuant to this Section 6.10.

Section 6.11. **Undertaking for Costs.**

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 shall not apply to a suit by the Trustee, a suit by the Company, a suit by a Holder pursuant to Section 6.07, or a suit by Holders of more than 10% in principal amount of the then outstanding Notes.

ARTICLE 7.

TRUSTEE

Section 7.01. **Duties of Trustee.**

(a) If an Event of Default has occurred and is continuing, and is known by a Responsible Officer of the Trustee, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent Person would exercise or use under the circumstances in the conduct of such Person's own affairs.

(b) Except during the continuance of an Event of Default:

(1) the duties of the Trustee shall be determined solely by the express provisions of this Indenture and the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, the Trustee shall examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein).

(c) The Trustee may not be relieved from liabilities for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(1) this paragraph does not limit the effect of paragraph (b) of this Section;

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(3) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b) and (c) of this Section 7.01.

(e) No provision of this Indenture shall require the Trustee to expend or risk its own funds or incur any financial liability if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it. The Trustee shall be under no obligation to exercise any of its rights and powers under this Indenture at the request of any Holders, unless such Holder shall have offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

(f) The Trustee shall not be liable for interest on any money received by it except as the Trustee may agree in writing with the Company. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

Section 7.02. **Rights of Trustee.**

Subject to TIA Section 315:

(a) The Trustee may conclusively rely upon any document reasonably believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in any such document.

(b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel or both. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such Officers' Certificate or Opinion of Counsel. The Trustee may consult with counsel and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(c) The Trustee shall not be liable for any action it takes or omits to take in good faith that it reasonably believes to be authorized or within the rights or powers conferred upon it by this Indenture.

(d) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Company shall be sufficient if signed by an Officer of the Company.

(e) The Trustee shall not be deemed to have notice of any Default or Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof or unless written notice of any event which is in fact such a Default or Event of Default is received by a Responsible Officer of the Trustee at the Corporate Trust Office of the Trustee from the Company or the Holders of 25% in aggregate principal amount of the outstanding Notes, and such notice references the specific Default or Event of Default, the Notes and this Indenture.

(f) The Trustee shall not be required to give any bond or surety in respect of the performance of its power and duties hereunder.

(g) The Trustee shall have no duty to inquire as to the performance of the Company's covenants herein.

(h) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

Section 7.03. **Individual Rights of Trustee.**

The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Company or any Affiliate of the Company with the same rights it would have if it were not Trustee. However, in the event that the Trustee acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the Commission for permission to continue as Trustee or resign. Any Agent may do the same with like rights and duties. The Trustee shall also be subject to Sections 7.10 and 7.11.

Section 7.04. **Trustee's Disclaimer.**

The Trustee shall not be responsible for and makes no representation as to the validity or adequacy of this Indenture or the Notes, it shall not be accountable for the Company's use of the proceeds from the Notes or any money paid to the Company or upon the Company's direction under any provision of this Indenture, it shall not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it shall not be responsible for any statement or recital herein or any statement in the Notes or any other document in connection with the sale of the Notes or pursuant to this Indenture other than its certificate of authentication.

Section 7.05. **Notice of Defaults.**

If a Default or Event of Default occurs and is continuing and if it is known to a Responsible Officer of the Trustee, the Trustee shall mail to Holders a notice of the Default or Event of Default within 90 days after it occurs. Except in the case of a Default or Event of Default in payment of principal of, premium, if any, or interest, including Additional Interest, if any, on any Note, the Trustee may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the Holders.

Section 7.06. **Reports by Trustee to Holders.**

Within 60 days after each May 15 beginning with the May 15 following the Issue Date, and for so long as Notes remain outstanding, the Trustee shall mail to the Holders a brief report dated as of such reporting date that complies with TIA §313(a) (but if no event described in TIA §313(a) has occurred within the twelve months preceding the reporting date, no report need be transmitted). The Trustee also shall comply with TIA §313(b)(2). The Trustee shall also transmit by mail all reports as required by TIA §313(c).

A copy of each report at the time of its mailing to the Holders shall be mailed to the Company and filed with the Commission and each stock exchange on which the Notes are listed in accordance with TIA §313(d). The Company shall promptly notify the Trustee when the Notes are listed on any stock exchange and any delisting thereof.

Section 7.07. **Compensation and Indemnity.**

The Company shall pay to the Trustee from time to time reasonable compensation for its acceptance of this Indenture and services hereunder. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Company shall reimburse the Trustee promptly upon request for all reasonable disbursements, advances and expenses incurred or made by it in addition to the compensation for its services. Such expenses shall include the reasonable compensation, disbursements and expenses of the Trustee's agents and counsel, when reasonably necessary.

The Company shall indemnify the Trustee (in its capacity as Trustee) or any predecessor Trustee (in its capacity as Trustee) against any and all losses, claims, damages, penalties, fines, liabilities or expenses, including incidental and out-of-pocket expenses and reasonable attorneys fees (for purposes of this Article, "***losses***") incurred by it arising out of or in connection with the acceptance or administration of its duties under this Indenture (including its execution and delivery under the Engagement Letter), including the costs and expenses of enforcing this Indenture against the Company (including this Section 7.07) and defending itself against any claim (whether asserted by the Company or any Holder or any other Person) or liability in connection with the exercise or performance of any of its powers or duties hereunder, except to the extent such losses may be attributable to its negligence or bad faith. The Trustee shall notify the Company promptly of any claim for which it may seek indemnity. Failure by the Trustee to so notify the Company shall not relieve the Company of its obligations under this Section 7.07, to the extent the Company has not been prejudiced thereby. The Company shall defend the claim, and the Trustee shall cooperate in the defense. The Trustee may have separate counsel if the Trustee has been reasonably advised by counsel that there may be one or more legal defenses available to it that are different from or additional to those available to the Company and in the reasonable judgment of such counsel it is advisable for the Trustee to engage separate counsel, and the Company shall pay the reasonable fees and expenses of such counsel. The Company need not pay for any settlement made without its consent, which consent shall not be unreasonably withheld. The Company need not reimburse any expense or indemnify against any loss incurred by the Trustee through the Trustee's own willful misconduct, gross negligence or bad faith.

The obligations of the Company under this Section 7.07 shall survive the satisfaction and discharge of this Indenture, the resignation or removal of the Trustee and payment in full of the Notes through the expiration of the applicable statute of limitations.

To secure the Company's payment obligations in this Section, the Trustee shall have a Lien prior to the Notes on all money or property held or collected by the Trustee, except that held in trust to pay principal, premium, if any, and interest, including Additional Interest, if any, on particular Notes.

When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.01(g) or (h) occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

Section 7.08. **Replacement of Trustee.**

A resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.08.

The Trustee may resign in writing at any time upon 30 days' prior written notice to the Company and the Subsidiary Guarantors and be discharged from the trust hereby created by so notifying the Company and the Subsidiary Guarantors. The Holders of a majority in aggregate principal amount of the then outstanding Notes may remove the Trustee by so notifying the Trustee and the Company in writing. The Company may remove the Trustee if:

(a) the Trustee fails to comply with, or ceases to be eligible under, Section 7.10;

(b) the Trustee is adjudged bankrupt or insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(c) a custodian or public officer takes charge of the Trustee or its property; or

(d) the Trustee becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason (the Trustee in such event being referred to herein as the retiring Trustee), the Company shall promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in principal amount of the then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Company.

If a successor Trustee does not take office within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Company, or the Holders of at least 10% in aggregate principal amount of the then outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee, after written request by any Holder who has been a Holder for at least six months, fails to comply with Section 7.10, such Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Thereupon, the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee shall mail a notice of its succession to Holders. Subject to the Lien provided for in Section 7.07, the retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee; *provided*, *however*, that all sums owing to the Trustee hereunder shall have been paid. Notwithstanding replacement of the Trustee pursuant to this Section 7.08, the Company's obligations under Section 7.07 shall continue for the benefit of the retiring Trustee.

In the case of an appointment hereunder of a separate or successor Trustee with respect to the Notes, the Company, the Subsidiary Guarantors, any retiring Trustee and each successor or separate Trustee with respect to the Notes shall execute and deliver an Indenture supplemental hereto (1) which shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of any retiring Trustee with respect to the Notes as to which any such retiring Trustee is not retiring shall continue to be vested in such retiring Trustee and (2) that shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustee co-trustees of the same trust and that each such separate, retiring or successor Trustee shall be Trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any such other Trustee.

Section 7.09. **Successor Trustee by Merger, etc.**

If the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation or banking association, the successor corporation or banking association without any further act shall, if such successor corporation or banking association is otherwise eligible hereunder, be the successor Trustee.

Section 7.10. **Eligibility; Disqualification.**

There shall at all times be a Trustee hereunder that is a Person organized and doing business under the laws of the United States of America or of any state thereof that is authorized under such laws to exercise corporate trustee power, that is subject to supervision or examination by federal or state authorities and that has a combined capital and surplus of at least $50.0 million (or a wholly-owned subsidiary of a bank or trust company, or

of a bank holding company, the principal subsidiary of which is a bank or trust company having a combined capital and surplus of at least $50.0 million) as set forth in its most recent published annual report of condition.

This Indenture shall always have a Trustee who satisfies the requirements of TIA §310(a)(1), (2) and (5). The Trustee is subject to TIA §310(b).

Section 7.11. **Preferential Collection of Claims Against Company.**

The Trustee is subject to TIA §311(a), excluding any creditor relationship listed in TIA §311(b). A Trustee who has resigned or been removed shall be subject to TIA § 311(a) to the extent indicated therein.

ARTICLE 8.

LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01. **Option to Effect Legal Defeasance or Covenant Defeasance.**

The Company may, at its option and at any time, elect to have either Section 8.02 or 8.03 be applied to all outstanding Notes upon compliance with the conditions set forth in this Article 8.

Section 8.02. **Legal Defeasance and Discharge.**

Upon the Company's exercise under Section 8.01 of the option applicable to this Section 8.02, the Company shall, subject to the satisfaction of the conditions set forth in Section 8.04, be deemed to have been discharged from its obligations with respect to all outstanding Notes on the date the conditions set forth below are satisfied (hereinafter, "***Legal Defeasance***") and any collateral then securing the Notes will be released and each Subsidiary Guarantor shall be released from all of its obligations under its Guarantee. For this purpose, Legal Defeasance means that the Company shall be deemed to have paid and discharged the entire Debt represented by the outstanding Notes, which shall thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 and the other Sections of this Indenture referred to in (a), (b), (c),and (d) below, and to have satisfied all its other obligations under the Notes and this Indenture (and the Trustee, on demand of and at the expense of the Company, shall execute proper instruments acknowledging the same), except for the following provisions which shall survive until otherwise terminated or discharged hereunder: (a) the rights of Holders of outstanding Notes to receive solely from the trust fund described in Section 8.04, and as more fully set forth in such Section, payments in respect of the principal of, premium, if any, or interest, including Additional Interest, if any, on such Notes when such payments are due; (b) the Company's obligations with respect to such Notes under Article 2 and Sections 4.01, 4.02 and 4.19; (c) the rights, powers, trusts, duties and immunities of the Trustee hereunder and the Company's obligations in connection therewith; and (d) this Article 8. If the Company exercises under Section 8.01 the option applicable to this Section 8.02, subject to the satisfaction of the conditions set forth in Section 8.04, payment of the Notes may not be accelerated because of an Event of Default. Subject to compliance with this Article 8, the Company may exercise its option under this Section 8.02 notwithstanding the prior exercise of its option under Section 8.03.

Section 8.03. **Covenant Defeasance.**

Upon the Company's exercise under Section 8.01 of the option applicable to this Section 8.03, the Company shall, subject to the satisfaction of the conditions set forth in Section 8.04, be released from its obligations under the covenants contained in Sections 4.03, 4.09 through 4.18, and subsection (e) of the first and second paragraphs of Section 5.01 shall cease to be operative, with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.04 are satisfied (hereinafter, "***Covenant Defeasance***") and any collateral then securing the Notes will be released and each Subsidiary Guarantor shall be released from all of its obligations under its Guarantee with respect to such covenants in connection with such outstanding Notes and the Notes shall thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but shall continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes shall not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes,

the Company may omit to comply with and shall have no obligation or liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere in this Indenture (including any certificate deliverable hereunder) to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default under this Indenture or the Notes. If the Company exercises under Section 8.01 the option applicable to this Section 8.03, subject to the satisfaction of the conditions set forth in Section 8.04, payment of the Notes may not be accelerated because of an Event of Default specified in clause (d) (with respect to the covenants contained in Sections 4.03, 4.09 through 4.18), (e), (f), (g) and (h) (but in the case of (g) and (h) of Section 6.01, with respect to Significant Subsidiaries only) or (i) or because of the Company's failure to comply with clause (e) under the first paragraph of, or with the second paragraph of, Section 5.01.

Section 8.04. **Conditions to Legal or Covenant Defeasance.**

The following shall be the conditions to the application of either Section 8.02 or 8.03 to the outstanding Notes.

The Legal Defeasance or Covenant Defeasance may be exercised only if:

(a) the Company irrevocably deposits in trust with the Trustee money or U.S. Government Obligations for the payment of principal of, premium, if any, and interest, including Additional Interest, if any, on the Notes to maturity or redemption, as the case may be;

(b) the Company delivers to the Trustee a certificate from a nationally recognized firm of independent certified public accountants expressing their opinion that the payments of principal, premium, if any, and interest, when due and without reinvestment on the deposited U.S. Government Obligations plus any deposited money without investment will provide cash at such times and in such amounts as will be sufficient to pay principal, premium, if any, and interest, when due on all the Notes to be defeased to maturity or redemption, as the case may be;

(c) 90 days pass after the deposit is made, and during the 90-day period, no Default described in Sections 6.01(g) and (h) occurs with respect to the Company or any other Person making such deposit which is continuing at the end of the period;

(d) no Default or Event of Default has occurred and is continuing on the date of such deposit and after giving effect thereto;

(e) such deposit does not constitute a default under any other agreement or instrument binding on the Company;

(f) the Company delivers to the Trustee an Opinion of Counsel to the effect that the trust resulting from the deposit does not constitute, or is qualified as, a regulated investment company under the Investment Company Act of 1940;

(g) in the case of the Legal Defeasance option, the Company delivers to the Trustee an Opinion of Counsel stating that:

(i) the Company has received from the Internal Revenue Service a ruling, or

(ii) since the Issue Date there has been a change in the applicable Federal income tax law, to the effect, in either case, that, and based thereon such Opinion of Counsel shall confirm that, the Holders will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of such defeasance and will be subject to U.S. Federal income tax on the same amounts, in the same manner and at the same times as would be the case if such defeasance has not occurred;

(h) in the case of the Covenant Defeasance option, the Company delivers to the Trustee an Opinion of Counsel to the effect that the Holders will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. Federal income tax on the same amounts, in the same manner and at the same times as would be the case if such covenant defeasance had not occurred;

(i) the Company delivers to the Trustee an Opinion of Counsel in Canada to the effect that Holders will not recognize income, gain or loss for Canadian federal, provincial or territorial tax purposes as a result of such deposit and defeasance and will be subject to Canadian federal, provincial or territorial taxes (including withholding taxes) on the same amounts, in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred; and

(j) the Company delivers to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent to the defeasance and discharge of the Notes have been complied with as required by this Indenture.

Section 8.05. **Deposited Cash and U.S. Government Obligations to be Held in Trust; Other Miscellaneous Provisions.**

Subject to Section 8.06, all cash and U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the "***Trustee***") pursuant to Section 8.04 in respect of the outstanding Notes shall be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as Paying Agent) as the Trustee may determine, to the Holders of all sums due and to become due thereon in respect of principal, premium, if any, and interest, including Additional Interest, if any, but such cash and securities need not be segregated from other funds except to the extent required by law.

The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or U.S. Government Obligations deposited pursuant to Section 8.04 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

Section 8.06. **Repayment to Company.**

Anything in this Article 8 to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon the request of the Company any cash or U.S. Government Obligations held by it as provided in Section 8.04 which, in the opinion of a nationally recognized firm of independent certified public accountants of recognized international standing expressed in a written certification thereof delivered to the Trustee (which may be the certification delivered under Section 8.04(a)), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Any cash or U.S. Government Obligations deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal, premium, if any, or interest, including Additional Interest, if any, on any Note and remaining unclaimed for two years after such principal, premium, if any, or interest, including Additional Interest, if any, has become due and payable shall be paid to the Company on its request or (if then held by the Company) shall be discharged from such trust; and the Holder shall thereafter, as an unsecured creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such cash and securities, and all liability of the Company as trustee thereof, shall thereupon cease; *provided*, *however*, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in *The New York Times* and *The Wall Street Journal* (national edition), notice that such cash and securities remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such notification or publication, any unclaimed balance of such cash and securities then remaining shall be repaid to the Company.

Section 8.07. **Reinstatement.**

If the Trustee or Paying Agent is unable to apply any cash or U.S. Government Obligations in accordance with Section 8.02 or 8.03, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or 8.03 until such time as the Trustee or Paying Agent is permitted to apply all such cash and securities in accordance with Section 8.02 or 8.03, as the case may be; *provided*, *however*, that, if the Company makes any payment of principal of, premium, if any, or interest, including Additional Interest, if any, on any Note following the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders to receive such payment from the cash and securities held by the Trustee or Paying Agent.

ARTICLE 9.

AMENDMENT, SUPPLEMENT AND WAIVER

Section 9.01. **Without Consent of Holders of Notes.**

Notwithstanding Section 9.02, the Company and the Trustee may amend or supplement this Indenture or the Notes without the consent of any Holder to:

(a) cure any ambiguity, omission, defect or inconsistency;

(b) provide for the assumption by a Surviving Person of the obligations of the Company under this Indenture, *provided*, that the Company delivers to the Trustee:

(i) an Opinion of Counsel to the effect that Holders will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of such assumption by a successor corporation and will be subject to U.S. Federal income tax on the same amounts, in the same manner and at the same times as would be the case if such assumption had not occurred, and

(ii) an Opinion of Counsel to the effect that Holders will not recognize income, gain or loss for Canadian federal, provincial or territorial income tax purposes as a result of such assumption by a successor corporation and will be subject to Canadian federal, provincial or territorial income taxes (including withholding taxes) on the same amounts, in the same manner and at the same times as would be the case if such assumption had not occurred;

(c) provide for uncertificated Notes in addition to or in place of certificated Notes (*provided* that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated Notes are described in Section 163(f)(2)(B) of the Code);

(d) add additional Guarantees with respect to the Notes or release Subsidiary Guarantors from Subsidiary Guaranties as provided or permitted by the terms of this Indenture;

(e) secure the Notes, add to the covenants of the Company for the benefit of the Holders or surrender any right or power conferred upon the Company;

(f) make any change that does not adversely affect the rights of any Holder;

(g) comply with any requirement of the Commission in connection with the qualification of this Indenture under the TIA;

(h) evidence or provide for a successor Trustee; or

(i) provide for the issuance of Additional Notes in accordance with this Indenture.

Section 9.02. **With Consent of Holders of Notes.**

Except as provided below in this Section 9.02, the Company and the Trustee may amend or supplement this Indenture and the Notes with the consent of the Holders of at least a majority in aggregate principal amount of the Notes, then outstanding voting as a single class (including consents obtained in connection with a purchase of or tender offer or exchange offer for the Notes), and, subject to Sections 6.04 and 6.07, any existing Default or Event of Default (except a continuing Default or Event of Default in (a) the payment of principal, premium, if any, or interest, including Additional Interest, if any, on the Notes and (b) respect of a covenant or provision which under this Indenture cannot be modified or amended without the consent of the Holder of each Note affected by such modification or amendment) or compliance with any provision of this Indenture or the Notes may be waived with the consent of the Holders of at least a majority in aggregate principal amount of the Notes, then outstanding voting as a single class (including consents obtained in connection with a purchase of or tender offer or exchange offer for the Notes).

Without the consent of each Holder affected, an amendment or waiver under this Section 9.02 may not (with respect to any Notes held by a non-consenting Holder):

(i) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;

(ii) reduce the rate of, or extend the time for payment of, interest, including Additional Interest, if any, on, any Note;

(iii) reduce the principal of, or extend the Stated Maturity of, any Note, or alter the provisions with respect to the redemption of the Notes;

(iv) make any Note payable in money other than that stated in the Note;

(v) impair the right of any Holder to receive payment of principal of, premium, if any, and interest, including Additional Interest, if any, on, such Holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such Holder's Notes or any Subsidiary Guaranty;

(vi) waive a Default or Event of Default in the payment of principal of, premium, if any, and interest, including Additional Interest, if any, on such Notes (except a rescission of acceleration of such Notes by the Holders of at least a majority in aggregate principal amount of the Notes and a waiver of the payment default that resulted from such acceleration);

(vii) make any change to Section 6.04 relating to waivers of past Defaults or the rights of Holders of such Notes to receive payments of principal of, or interest or premium or Additional Interest, if any, on such Notes as described in Section 6.07;

(viii) subordinate the Notes or any Subsidiary Guaranty to any other obligation of the Company or the applicable Subsidiary Guarantor;

(ix) release any security interest that may have been granted in favor of the Holders other than pursuant to the terms of such security interest;

(x) reduce the premium payable upon the redemption of any Note or change the time at which any Note may be redeemed, as described under Sections 3.07 and 4.19;

(xi) reduce the premium payable upon a Change of Control or, at any time after a Change of Control has occurred, change the time at which the Change of Control Offer relating thereto must be made or at which the Notes must be repurchased pursuant to such Change of Control Offer;

(xii) at any time after the Company is obligated to make a Prepayment Offer, change the time at which such offer must be made or at which the Notes must be repurchased pursuant thereto;

(xiii) amend or modify the provisions described under Section 4.19;

(xiv) make any change in any Subsidiary Guaranty, that would adversely affect the Holders; or

(xv) make any change in the preceding amendment and waiver provisions.

The Company may, but shall not be obligated to, fix a record date for the purpose of determining the Persons entitled to consent to any supplemental indenture. If a record date is fixed, the Holders on such record date, or their duly designated proxies, and only such Persons, shall be entitled to consent to such supplemental indenture, whether or not such Holders remain Holders after such record date; *provided* that unless such consent shall have become effective by virtue of the requisite percentage having been obtained prior to the date which is 120 days after such record date, any such consent previously given shall automatically and without further action by any Holder be cancelled and of no further effect.

The consent of the Holders is not necessary to approve the particular form of any proposed amendment, waiver or supplement. It is sufficient if such consent approves the substance of the proposed amendment, waiver or supplement. After an amendment, waiver or supplement under this Section 9.02 becomes effective, the Company is required to mail to each registered Holder at such Holder's address appearing in the Security Register a notice briefly describing such amendment, waiver or supplement. However, the failure to give such notice to all Holders, or any defect therein, will not impair or affect the validity of the amendment, waiver or supplement.

Section 9.03. **Compliance with Trust Indenture Act.**

Every amendment or supplement to this Indenture or the Notes shall be set forth in an amended or supplemental indenture that complies with the TIA as then in effect.

Section 9.04. **Revocation and Effect of Consents.**

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder is a continuing consent by the Holder of a Note and every subsequent Holder of a Note or portion thereof that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder or subsequent Holder may revoke the consent as to its Note or portion thereof if the Trustee receives written notice of revocation before the date the waiver, supplement or amendment becomes effective. An amendment, supplement or waiver shall become effective in accordance with its terms and thereafter shall bind every Holder.

Section 9.05. **Notation on or Exchange of Notes.**

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Company in exchange for all Notes may issue and, upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note shall not affect the validity and effect of such amendment, supplement or waiver.

Section 9.06. **Trustee to Sign Amendments, etc.**

The Trustee shall sign any amended or supplemental indenture authorized pursuant to this Article 9 if the amendment or supplement does not adversely affect the rights, duties, liabilities or immunities of the

Trustee. Neither the Company nor any Subsidiary Guarantor may sign an amendment or supplemental indenture until its board of directors (or a committee serving a similar function) approves it. In executing any amended or supplemental indenture, the Trustee shall be entitled to receive and (subject to Section 7.01) shall be fully protected in relying upon an Officers' Certificate and an Opinion of Counsel stating that the execution of such amended or supplemental indenture is authorized or permitted by this Indenture and that such amended or supplemental indenture is the legal, valid and binding obligations of the Company enforceable against it in accordance with its terms, subject to customary exceptions and that such amended or supplemental indenture complies with the provisions hereof (including Section 9.03).

ARTICLE 10.

GUARANTEES

Section 10.01. **Guarantee.**

Subject to this Article 10, the Subsidiary Guarantors hereby unconditionally guarantee to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns: (a) the due and punctual payment of the principal of, premium, if any, and interest on the Notes, subject to any applicable grace period, whether at Stated Maturity, by acceleration, redemption or otherwise, the due and punctual payment of interest on the overdue principal of and premium, if any, and, to the extent permitted by law, interest, and the due and punctual performance of all other obligations of the Company to the Holders or the Trustee under this Indenture, the Registration Rights Agreement or any other agreement with or for the benefit of the Holders, in their capacities as such, or the Trustee relating to the Company's obligations under the Notes, this Indenture or the Registration Rights Agreement, all in accordance with the terms hereof and thereof; and (b) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that same shall be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at Stated Maturity, by acceleration pursuant to Section 6.02, redemption or otherwise. Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Subsidiary Guarantors shall be jointly and severally obligated to pay the same immediately. Each Subsidiary Guarantor agrees that this is a guarantee of payment and not a guarantee of collection.

Each Subsidiary Guarantor hereby agrees that its obligations with regard to its Subsidiary Guaranty shall be joint and several and unconditional, and such obligation shall exist irrespective of: (a) the validity or enforceability of the Notes or the obligations of the Company under this Indenture, the Registration Rights Agreement or any other agreement with or for the benefit of the Holders or the Trustee; (b) the absence of any action to enforce the Subsidiary Guaranty; (c) the recovery of any judgment against the Company or any other obligor with respect to this Indenture, the Registration Rights Agreement, the Notes or any other agreement with or for the benefit of the Holders or the Trustee, or the Obligations of the Company under this Indenture, the Registration Rights Agreement, the Notes or any other agreement with or for the benefit of the Holders or the Trustee; and (d) any action to enforce the same or any other circumstances (other than complete performance) which might otherwise constitute a legal or equitable discharge or defense of a Subsidiary Guarantor. Each Subsidiary Guarantor further, to the extent permitted by applicable law, waives and relinquishes all claims, rights and remedies accorded by applicable law to guarantors and agrees not to assert or take advantage of any such claims, rights or remedies, including but not limited to: (a) any right to require any of the Trustee, the Holders or the Company (each a "***Benefited Party***"), as a condition of payment or performance by such Subsidiary Guarantor, to (1) proceed against the Company (*provided* that any demand in respect of the Subsidiary Guaranty shall be following and in respect of a Default hereunder), any other guarantor (including any other Subsidiary Guarantor) of the Obligations under the Subsidiary Guaranties or any other Person, (2) proceed against or exhaust any security held from the Company, any such other guarantor or any other Person, (3) proceed against or have resort to any balance of any deposit account or credit on the books of any Benefited Party in favor of the Company or any other Person, or (4) pursue any other remedy in the power of any Benefited Party whatsoever; (b) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of the Company including any defense based on or arising out of the lack of validity or the unenforceability of the Obligations under the Subsidiary Guaranties or any agreement or instrument relating thereto or by reason of the cessation of the liability of the Company from any cause other than payment in full of the Obligations under the Subsidiary Guaranties; (c) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more

burdensome than that of the principal; (d) any defense based upon any Benefited Party's errors or omissions in the administration of the Obligations under the Subsidiary Guaranties, except behavior which amounts to bad faith; (e)(1) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms of the Subsidiary Guaranties and any legal or equitable discharge of such Subsidiary Guarantor's obligations hereunder to the extent permitted under applicable law, (2) the benefit of any statute of limitations affecting such Subsidiary Guarantor's liability hereunder or the enforcement hereof, (3) any rights to set-offs, recoupments and counterclaims and (4) promptness, diligence and any requirement that any Benefited Party protect, secure, perfect or insure any security interest or lien or any property subject thereto; (f) notices, demands, presentations, protests, notices of protest, notices of dishonor and notices of any action or inaction, including acceptance of the Subsidiary Guaranties, notices of any renewal, extension or modification of the Obligations under the Subsidiary Guaranties or any agreement related thereto, and notices of any extension of credit to the Company and any right to consent to any thereof; (g) to the extent permitted under applicable law, the benefits of any "One Action" rule and (h) any defenses or benefits that may be derived from or afforded by law which limit the liability of or exonerate guarantors or sureties, or which may conflict with the terms of the Subsidiary Guaranties. Without limiting the generality of the foregoing, Novelis do Brasil Ltda and any other Guarantor that is organized under the laws of Brazil (each a "***Brazilian Guarantor***" and collectively the "***Brazilian Guarantors***") expressly waive the benefits set forth in Articles 827, 835, 837, 838 and 839 of the Brazilian Civil Code and Article 595 of the Brazilian Code of Civil Procedure. Except to the extent expressly provided herein, including Sections 8.02, 8.03 and 10.05, each Subsidiary Guarantor hereby covenants that its Subsidiary Guaranty shall not be discharged except by complete performance of the obligations contained in its Subsidiary Guaranty and this Indenture.

If any Holder or the Trustee is required by any court or otherwise to return to the Company, the Subsidiary Guarantors or any custodian, trustee, liquidator or other similar official acting in relation to either the Company or the Subsidiary Guarantors, any amount paid by either to the Trustee or such Holder, this Subsidiary Guaranty, to the extent theretofore discharged, shall be reinstated in full force and effect.

Each Subsidiary Guarantor agrees that it shall not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment in full of all obligations guaranteed hereby. Each Subsidiary Guarantor further agrees that, as between the Subsidiary Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, (x) the maturity of the obligations guaranteed hereby may be accelerated as provided in Section 6.02 for the purposes of this Subsidiary Guaranty, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby and (y) in the event of any declaration of acceleration of such obligations as provided in Section 6.02, such obligations (whether or not due and payable) shall forthwith become due and payable by the Subsidiary Guarantors for the purpose of this Subsidiary Guaranty. The Subsidiary Guarantors shall have the right to seek contribution from any non-paying Subsidiary Guarantor so long as the exercise of such right does not impair the rights of the Holders under the Subsidiary Guaranty.

Section 10.02. **Limitation on Subsidiary Guarantor Liability.**

(a) Each Subsidiary Guarantor, and by its acceptance of Notes, each Holder, hereby confirms that it is the intention of all such parties that the Subsidiary Guaranty of such Subsidiary Guarantor not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal, provincial, state or other law to the extent applicable to any Subsidiary Guaranty. To effectuate the foregoing intention, the Trustee, the Holders and the Subsidiary Guarantors hereby irrevocably agree that each Subsidiary Guarantor's liability shall be that amount from time to time equal to the aggregate liability of such Subsidiary Guarantor under the Subsidiary Guaranty, but shall be limited to the lesser of (i) the aggregate amount of the Company's obligations under the Notes and this Indenture or (ii) the amount, if any, which would not have (1) rendered the Subsidiary Guarantor "insolvent" (as such term is defined in the Federal Bankruptcy Code and in the Debtor and Creditor Law of the State of New York) or (2) left it with unreasonably small capital at the time its Subsidiary Guaranty with respect to the Notes was entered into, after giving effect to the incurrence of existing Debt immediately before such time; *provided*, *however*, it shall be a presumption in any lawsuit or proceeding in which a Subsidiary Guarantor is a party that the amount guaranteed pursuant to the Subsidiary Guaranty with respect to the Notes is the amount described in clause (a)(i) of this Section 10.02 unless any creditor, or representative of creditors of the Subsidiary Guarantor, or debtor in possession or Trustee in bankruptcy of the Subsidiary Guarantor, otherwise proves in a lawsuit that the aggregate liability of the Subsidiary

Guarantor is limited to the amount described in clause (ii) of this Section 10.02. Without limiting the generality of the foregoing, the obligations of each Subsidiary Guarantor identified in Schedule A hereto shall be limited as set forth therein.

(b) In making any determination as to the solvency or sufficiency of capital of a Subsidiary Guarantor in accordance with the proviso of Section 10.02(a), the right of each Subsidiary Guarantor to contribution from other Subsidiary Guarantors and any other rights such Subsidiary Guarantor may have, contractual or otherwise, shall be taken into account.

Section 10.03. **Execution and Delivery of Subsidiary Guaranty.**

To evidence its Subsidiary Guaranty set forth in Section 10.01, each Subsidiary Guarantor hereby agrees that a notation of such Subsidiary Guaranty in substantially the form included in Exhibit E attached hereto shall be endorsed by an Officer of such Subsidiary Guarantor on each Note authenticated and delivered by the Trustee and that this Indenture shall be executed on behalf of such Subsidiary Guarantor by its President or one of its Vice Presidents (or equivalent senior officer if such titles are not applicable). Such endorsement and execution may be effected pursuant to a valid power of attorney.

Each Subsidiary Guarantor hereby agrees that its Subsidiary Guaranty set forth in Section 10.01 shall remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Subsidiary Guaranty.

If an Officer whose signature is on this Indenture or on the Subsidiary Guaranty no longer holds that office at the time the Trustee authenticates the Note on which a Subsidiary Guaranty is endorsed, the Subsidiary Guaranty shall be valid nevertheless.

The delivery of any Note by the Trustee, after the authentication thereof hereunder, shall constitute due delivery of the Subsidiary Guaranty set forth in this Indenture on behalf of the Subsidiary Guarantors.

The Company hereby agrees that it shall cause each Person that becomes obligated to provide a Subsidiary Guaranty pursuant to Section 4.18 to execute a supplemental indenture in form and substance reasonably satisfactory to the Trustee, pursuant to which such Person provides the guarantee set forth in this Article 10 and otherwise assumes the obligations and accepts the rights of a Subsidiary Guarantor under this Indenture, in each case with the same effect and to the same extent as if such Person had been named herein as a Subsidiary Guarantor. The Company also hereby agrees to cause each such new Subsidiary Guarantor to evidence its guarantee by endorsing a notation of such guarantee on each Note as provided in this Section 10.03.

Section 10.04. **Subsidiary Guarantors May Consolidate, etc., on Certain Terms.**

Except as otherwise provided in Section 10.05, no Subsidiary Guarantor may consolidate with or merge with or into (whether or not such Subsidiary Guarantor is the Surviving Person) another Person whether or not affiliated with such Subsidiary Guarantor unless:

(a) subject to Section 10.05, the Person formed by or surviving any such consolidation or merger (if other than a Subsidiary Guarantor or the Company) unconditionally assumes all the obligations of such Subsidiary Guarantor, pursuant to a supplemental indenture in form and substance reasonably satisfactory to the Trustee, under this Indenture, the Subsidiary Guaranty and any Registration Rights Agreements on the terms set forth herein or therein; and

(b) the Subsidiary Guarantor complies with the requirements of Article 5.

In case of any such consolidation, merger, sale or conveyance and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the Subsidiary Guaranty endorsed upon the Notes and the due and punctual performance of all of the covenants and conditions of this Indenture to be performed by the Subsidiary Guarantor, such successor Person shall

succeed to and be substituted for the Subsidiary Guarantor with the same effect as if it had been named herein as a Subsidiary Guarantor. Such successor Person thereupon may cause to be signed any or all of the Subsidiary Guaranties to be endorsed upon all of the Notes issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee. All the Subsidiary Guaranties so issued shall in all respects have the same legal rank and benefit under this Indenture as the Subsidiary Guaranties theretofore and thereafter issued in accordance with the terms of this Indenture as though all of such Subsidiary Guaranties had been issued at the date of the execution hereof.

Except as set forth in Articles 4 and 5, and notwithstanding clauses (a) and (b) of this Section 10.04, nothing contained in this Indenture or in any of the Notes shall prevent any consolidation or merger of a Subsidiary Guarantor with or into the Company or another Subsidiary Guarantor, or shall prevent any sale or conveyance of the property of a Subsidiary Guarantor as an entirety or substantially as an entirety to the Company or another Subsidiary Guarantor.

Section 10.05. **Releases Following Merger, Consolidation or Sale of Assets, Etc.**

In the event of a sale or other disposition of all or substantially all of the assets of any Subsidiary Guarantor, by way of merger, consolidation or otherwise, or a sale or other disposition of all of the Capital Stock of any Subsidiary Guarantor, in each case to a Person that is not (either before or after giving effect to such transactions) a Subsidiary of the Company, then such Subsidiary Guarantor (in the event of a sale or other disposition, by way of merger, consolidation or otherwise, of all of the Capital Stock of such Subsidiary Guarantor) or the corporation acquiring the property (in the event of a sale or other disposition of all or substantially all of the assets of such Subsidiary Guarantor) shall be released and relieved of any obligations under its Subsidiary Guaranty; *provided* that the net proceeds of such sale or other disposition shall be applied in accordance with the applicable provisions of this Indenture, including Section 4.12. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary in accordance with the provisions of Section 4.17, such Subsidiary shall be fully released and relieved of any obligations under its Subsidiary Guaranty. Upon delivery by the Company to the Trustee of an Officers' Certificate and an Opinion of Counsel to the effect that such sale or other disposition was made by the Company in accordance with the provisions of this Indenture, including Section 4.12, the Trustee shall promptly execute any documents reasonably required in order to evidence the full release of any Subsidiary Guarantor from its obligations under its Subsidiary Guaranty.

ARTICLE 11.

SATISFACTION AND DISCHARGE

Section 11.01. **Satisfaction and Discharge.**

The Company may discharge this Indenture such that it will cease to be of further effect, except as to surviving rights of registration of transfer or exchange of the Notes, as to all outstanding Notes when:

(a) either:

(i) all the Notes previously authenticated (except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has previously been deposited in trust or segregated and held in trust by the Company and is thereafter repaid to the Company or discharged from the trust) have been delivered to the Trustee for cancellation; or

(ii) all Notes not previously delivered to the Trustee for cancellation;

(A) have become due and payable;

(B) will become due and payable at their maturity within one year; or

(C) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of a redemption by the Trustee; and

in the case of clauses (a)(ii)(A), (B) or (C) of this Section 11.01, the Company has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders, cash in U.S. dollars, U.S. Government Obligations, or a combination of such cash and U.S. Government Obligations, in such amounts as will be sufficient without consideration of any reinvestment of interest, to pay and discharge the entire Debt on the Notes not previously delivered to the Trustee for cancellation or redemption, for principal, premium, if any, and interest and Additional Interest, if any, on the Notes to the date of deposit, in the case of Notes that have become due and payable, or to the Stated Maturity or redemption date, as the case may be;

(b) the Company has paid or caused to be paid all other sums payable by it under this Indenture; and

(c) if reasonably required by the Trustee, the Company delivers to the Trustee an Officers' Certificate and Opinion of Counsel stating that all conditions precedent under this Indenture relating to the satisfaction and discharge of this Indenture have been satisfied.

Section 11.02. **Deposited Cash and U.S. Government Obligations to be Held in Trust; Other Miscellaneous Provisions.**

Subject to Section 11.03, all cash and U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 11.02, the "***Trustee***") pursuant to Section 11.01 in respect of the outstanding Notes shall be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as Paying Agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium, if any, and interest but such cash and securities need not be segregated from other funds except to the extent required by law.

Section 11.03. **Repayment to Company.**

Any cash or U.S. Government Obligations deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of, premium, if any, or interest, including Additional Interest, if any, on, any Note and remaining unclaimed for two years after such principal, and premium, if any, or interest, including Additional Interest, if any, has become due and payable shall be paid to the Company on its request or (if then held by the Company) shall be discharged from such trust; and the Holder shall thereafter, as an unsecured creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such cash and securities, and all liability of the Company as trustee thereof, shall thereupon cease; *provided*, *however*, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in *The Wall Street Journal* (national edition), notice that such cash and securities remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such notification or publication, any unclaimed balance of such cash and securities then remaining shall be repaid to the Company.

ARTICLE 12.

MISCELLANEOUS

Section 12.01. **Trust Indenture Act Controls.**

If any provision of this Indenture limits, qualifies or conflicts with another provision which is required to be included in this Indenture by the TIA, the provision required by the TIA shall control.

Section 12.02. **Notices.**

Any notice or communication by the Company and/or a Subsidiary Guarantor or the Trustee to the other is duly given if in writing and delivered in person or mailed by first class mail (registered or certified, return receipt requested), facsimile transmission or overnight air courier guaranteeing next-day delivery, to the other's address:

Novelis Inc.
3399 Peachtree Road, Suite 1500
Atlanta, Georgia 30326
Attention: Treasurer
Facsimile: 404-814-4219

with a copy to:

King & Spalding LLP
1180 Peachtree Street, N.E.
Atlanta, GA 30309-3521
Tele: 404-572-4600
Facsimile: 404-572-5100
Attention: John J. Kelley, III

If to the Trustee:

The Bank of New York Mellon Trust Company, N.A.
900 Ashwood Parkway
Suite 425
Atlanta, Georgia 30338
Attention: Lee Ann Willis
Tele: 770-698-5131
Facsimile: 770-698-5196

The Company or the Trustee, by notice to the other, may designate additional or different addresses for subsequent notices or communications.

All notices and communications (other than those sent to the Trustee or Holders) shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if sent by facsimile transmission; and the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next-day delivery. All notices and communications to the Trustee or Holders shall be deemed duly given and effective only upon receipt.

Any notice or communication to a Holder shall be mailed by first class mail, certified or registered, return receipt requested, or by overnight air courier guaranteeing next-day delivery to its address shown on the Security Register. Any notice or communication shall also be so mailed to any Person described in TIA §313(c), to the extent required by the TIA. Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders.

If a notice or communication is mailed in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Company mails a notice or communication to Holders, it shall mail a copy to the Trustee and each Agent at the same time.

Section 12.03. **Communication by Holders of Notes with Other Holders of Notes.**

Holders may communicate pursuant to TIA §312(b) with other Holders with respect to their rights under this Indenture or the Notes. The Company, the Trustee, the Registrar and anyone else shall have the protection of TIA §312(c).

Section 12.04. **Certificate and Opinion as to Conditions Precedent.**

Upon any request or application by the Company to the Trustee to take any action under any provision of this Indenture, the Company shall:

(a) if requested by the Trustee, furnish to the Trustee an Officers' Certificate in form and substance reasonably satisfactory to the Trustee (which shall include the statements set forth in Section 12.05) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been complied with; and

(b) if requested by the Trustee, furnish to the Trustee an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee (which shall include the statements set forth in Section 12.05) stating that, in the opinion of such counsel, all such conditions precedent and covenants have been complied with.

Section 12.05. **Statements Required in Certificate or Opinion.**

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (other than a certificate provided pursuant to TIA §314(a)(4)) shall comply with the provisions of TIA §314(e) and shall include:

(a) a statement that the Person making such certificate or opinion has read such covenant or condition;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(c) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable such Person to express an opinion as to whether or not such covenant or condition has been complied with; and

(d) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been complied with.

With respect to matters of fact, an Opinion of Counsel may rely on one or more Officers' Certificates, certificates of public officials or reports or opinions of experts.

Section 12.06. **Rules by Trustee and Agents.**

The Trustee may make reasonable rules for action by or at a meeting of Holders. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

Section 12.07. **No Personal Liability of Directors, Officers, Employees and Stockholders.**

No director, officer, employee, incorporator, stockholder or member of the Company or any Subsidiary or Affiliate of the Company, as such, will have any liability for any obligations under the Notes, this Indenture, the Subsidiary Guaranties or the Registration Rights Agreement, or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

Section 12.08. **Governing Law.**

THIS INDENTURE, THE NOTES AND EACH NOTATION OF A SUBSIDIARY GUARANTY DELIVERED PURSUANT TO SECTION 10.03 ARE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

Section 12.09. **No Adverse Interpretation of Other Agreements.**

This Indenture may not be used to interpret any other indenture, loan or debt agreement of the Company or its Subsidiaries or of any other Person. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 12.10. **Successors.**

All covenants and agreements of the Company in this Indenture and the Notes shall bind its successors. All covenants and agreements of the Trustee in this Indenture shall bind its successors.

Section 12.11. **Severability.**

In case any provision in this Indenture or in the Notes shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 12.12. **Consent to Jurisdiction and Service of Process.**

(a) The Company and each Subsidiary Guarantor irrevocably consents to the jurisdiction of the courts of the State of New York and the courts of the United States of America located in the Borough of Manhattan, City and State of New York over any suit, action or proceeding with respect to this Indenture or the transactions contemplated hereby. The Company and each Subsidiary Guarantor waives any objection that it may have to the venue of any suit, action or proceeding with respect to this Indenture or the transactions contemplated hereby in the courts of the State of New York or the courts of the United States of America, in each case, located in the Borough of Manhattan, City and State of New York, or that such suit, action or proceeding brought in the courts of the State of New York or the United States of America, in each case, located in the Borough of Manhattan, City and State of New York was brought in an inconvenient court and agrees not to plead or claim the same.

(b) The Company and each Subsidiary Guarantor irrevocably appoints Corporation Service Company as its authorized agent in the State of New York upon which process may be served in any such suit or proceedings, and agrees that service of process upon such agent, and written notice of said service to Corporation Service Company, 1133 Avenue of the Americas, Suite 3100, New York, New York 10036 (telecopy no: 212-299-5656), by the person serving the same to the address provided in Section 12.02, shall be deemed in every respect effective service of process upon the Company and each Subsidiary Guarantor in any such suit or proceeding. The Company and each Subsidiary Guarantor further agrees to take any and all action as may be necessary to maintain such designation and appointment of such agent in full force and effect for a period of 11 years from the Issue Date.

Section 12.13. **Foreign Currency Equivalents.**

For purposes of determining compliance with any U.S. dollar-denominated restriction or amount, the U.S dollar-equivalent principal amount of any amount denominated in a foreign currency will be the Dollar Equivalent calculated on the date the Debt was incurred or other transaction was entered into, or first committed, in the case of revolving credit debt, *provided* that if any Permitted Refinancing Debt is incurred to refinance Debt denominated in a foreign currency, and such refinancing would cause the applicable U.S dollar-denominated restriction to be exceeded if calculated on the date of such refinancing, such U.S dollar-denominated restriction will be deemed not have been exceeded so long as the principal amount of such Permitted Refinancing Debt does not exceed the principal amount of such Debt being refinanced. Notwithstanding any other provision in this Indenture, no restriction or amount will be exceeded solely as a result of fluctuations in the exchange rate of currencies.

Section 12.14. **Conversion of Currency.**

The Company and the Subsidiary Guarantors covenant and agree that the following provisions shall apply to the conversion of currency in the case of the Notes, the Subsidiary Guaranties and this Indenture:

(a) (i) If, for the purpose of obtaining judgment in, or enforcing the judgment of, any court in any country, it becomes necessary to convert into a currency (the "***Judgment Currency***") an amount due in any other currency (the "***Base Currency***"), then the conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which the judgment is given or the order of enforcement is made, as the case may be (unless a court shall otherwise determine).

(ii) If there is a change in the rate of exchange prevailing between the Business Day before the day on which the judgment is given or an order of enforcement is made, as the case may be (or such other date as a court shall determine), and the date of receipt of the amount due, the Company will pay such additional (or, as the case may be, such lesser) amount, if any, as may be necessary so that the amount paid in the Judgment Currency when converted at the rate of exchange prevailing on the date of receipt will produce the amount in the Base Currency originally due.

(b) In the event of the winding up of the Company at any time while any amount or damages owing under the Notes, this Indenture, and the Subsidiary Guaranties, or any judgment or order rendered in respect thereof, shall remain outstanding, the Company shall indemnify and hold the Holders and the Trustee harmless against any deficiency arising or resulting from any variation in rates of exchange between (i) the date as of which the equivalent of the amount in U.S. dollars or Canadian dollars, as the case may be, due or contingently due under the Notes, this Indenture (other than under this Section 12.14(b)), and the Subsidiary Guaranties is calculated for the purposes of such winding up and (ii) the final date for the filing of proofs of claim in such winding up. For the purpose of this Section 12.14(b), the final date for the filing of proofs of claim in the winding up of the Company shall be the date fixed by the liquidator or otherwise in accordance with the relevant provisions of applicable law as being the latest practicable date as at which liabilities of the Company may be ascertained for such winding up prior to payment by the liquidator or otherwise in respect thereto.

(c) The obligations contained in Sections 12.14(a)(ii) and (b) shall constitute obligations of the Company separate and independent from its other respective obligations under the Notes, this Indenture, and the Subsidiary Guaranties, shall give rise to separate and independent causes of action against the Company, shall apply irrespective of any waiver or extension granted by any Holder or the Trustee or any of them from time to time and shall continue in full force and effect notwithstanding any judgment or order or the filing of any proof of claim in the winding up of the Company for a liquidated sum in respect of amounts due hereunder (other than under Section 12.14(b)) or under any such judgment or order. Any such deficiency as aforesaid shall be deemed to constitute a loss suffered by the Holders or the Trustee, as the case may be, and no proof or evidence of any actual loss shall be required by the Company or the liquidator otherwise or any of them. In the case of Section 12.14(b), the amount of such deficiency shall not be deemed to be reduced by any variation in rates of exchange occurring between the said final date and the date of any liquidating distribution.

(d) The term "rate(s) of exchange" shall mean the rate of exchange quoted by Royal Bank of Canada at its central foreign exchange desk in its head office in Toronto at 12:00 noon (Toronto, Ontario time) for purchases of the Base Currency with the Judgment Currency other than the Base Currency referred to in Sections 12.14(a) and (b) and includes any premiums and costs of exchange payable.

(e) The Trustee shall have no duty or liability with respect to monitoring or enforcing this Section 12.14.

Section 12.15. **Documents in English.**

By common accord, this Indenture, the Notes, the Subsidiary Guaranties and all documents related thereto have been or will be drafted solely in the English language.

Section 12.16. **Counterpart Originals.**

The parties may sign any number of copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

Section 12.17. **Table of Contents, Headings, etc.**

The Table of Contents, Cross-Reference Table and Headings in this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and shall in no way modify or restrict any of the terms or provisions hereof.

Section 12.18. **Qualification of this Indenture.**

The Company shall qualify this Indenture under the TIA in accordance with the terms and conditions of any Registration Rights Agreement and shall pay all reasonable costs and expenses (including attorneys' fees and expenses for the Company, the Trustee and the Holders) incurred in connection therewith, including, but not limited to, costs and expenses of qualification of this Indenture and the Notes and printing this Indenture and the Notes. The Trustee shall be entitled to receive from the Company any such Officers' Certificates, Opinions of Counsel or other documentation as it may reasonably request in connection with any such qualification of this Indenture under the TIA.

[Signatures on following page]

Company:

NOVELIS INC.

By: /s/ Steven R. Fisher
Name: Steven R. Fisher
Title: Senior Vice President and CFO

Subsidiary Guarantors

US Subsidiary Guarantors:

NOVELIS CORPORATION
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

EUROFOIL INC. (USA)
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

NOVELIS PAE CORPORATION
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

NOVELIS BRAND LLC
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

NOVELIS SOUTH AMERICA HOLDINGS LLC
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

ALUMINUM UPSTREAM HOLDINGS LLC
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

Canadian Subsidiary Guarantors:

NOVELIS CAST HOUSE TECHNOLOGY LTD.
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

4260848 CANADA INC.
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

4260856 CANADA INC.
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

NOVELIS NO. 1 LIMITED PARTNERSHIP

By: 4260848 CANADA INC., its General Partner
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

UK Subsidiary Guarantors:

EXECUTED AND DELIVERED AS A DEED ON THE DATE FIRST SHOWN ABOVE BY NOVELIS EUROPE HOLDINGS LIMITED
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

In the presence of:

/s/ Denise Jones
Witness name: Denise Jones

Witness occupation: Executive Assistant

Witness address: 3399 Peachtree Rd. NE, Ste. 1500
Atlanta, GA 30326

EXECUTED AND DELIVERED AS A DEED ON THE DATE FIRST SHOWN ABOVE BY NOVELIS UK LTD.
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

In the presence of:

/s/ Denise Jones
Witness name: Denise Jones

Witness occupation: Executive Assistant

Witness address: 3399 Peachtree Rd. NE, Ste. 1500
Atlanta, GA 30326

EXECUTED AND DELIVERED AS A DEED ON THE DATE FIRST SHOWN ABOVE BY NOVELIS SERVICES LIMITED
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

In the presence of:

/s/ Denise Jones
Witness name: Denise Jones

Witness occupation: Executive Assistant

Witness address: 3399 Peachtree Rd. NE, Ste. 1500
Atlanta, GA 30326

Brazilian Subsidiary Guarantor:

NOVELIS DO BRASIL LTDA.
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

Witnesses:
1. /s/ Denise Jones
Name Denise Jones
ID GA License 054850559

2. /s/ Shannon Curran
Name Shannon Curran
ID GA License 054162208

Luxembourg Subsidiary Guarantor:

NOVELIS LUXEMBOURG S.A.
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

French Subsidiary Guarantor:

NOVELIS PAE S.A.S.
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

Portuguese Subsidiary Guarantor:

NOVELIS MADEIRA, UNIPESSOAL, LDA
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

Irish Subsidiary Guarantor:

SIGNED SEALED AND DELIVERED
for and on behalf of
NOVELIS ALUMINIUM HOLDING COMPANY
By its lawfully appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

in the presence of:

/s/ Denise Jones
Name: Denise Jones

German Subsidiary Guarantor:

NOVELIS DEUTSCHLAND GMBH
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

Swiss Subsidiary Guarantors:

NOVELIS AG
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

NOVELIS SWITZERLAND SA
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

NOVELIS TECHNOLOGY AG
By its duly appointed attorney:

/s/ Christopher M. Courts
Name: Christopher M. Courts

State of Georgia)

) ss.:

County of Cobb)

On 8/7/09 before me, Denise Jones, Notary Public, personally appeared Christopher M. Courts, personally known to me or proved to me on the basis of satisfactory evidence to be the individual who executed the foregoing document, and who acknowledged to me that s/he executed the same in his/her authorized capacity, and that by his/her signature on the foregoing document the person, or the entity upon behalf of which the person acted, executed the foregoing document.

/s/ Denise Jones
Notary Public

Notary Public Cobb County Georgia
My Commission Expires November 25, 2009

Trustee

By: The Bank of New York Mellon Trust Company, N.A.

By: /s/ Karen Z. Kelly
Name: Karen Z. Kelly
Title: Vice President

EXHIBIT A

(Face of Note)

11½% SENIOR NOTES DUE 2015

CUSIP _____

No. _____ **$**_____

NOVELIS INC.

promises to pay to CEDE & CO., INC. or registered assigns, the principal sum of _____ Dollars ($___) on February 15, 2015.

Interest Payment Dates: February 15, and August 15, commencing February 15, 2010.

Record Dates: February 1, and August 1.

Dated: August 11, 2009.

IN WITNESS WHEREOF, the Company has caused this Note to be signed manually or by facsimile by its duly authorized officer.

NOVELIS INC.

By: _____
Name:
Title:

This is one of the Global Notes referred to
in the within-mentioned Indenture:

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
as Trustee

By: _____
Authorized Signatory

Dated _____, 2009

(Back of Note)

11½% SENIOR NOTES DUE 2015

THIS NOTE IS ISSUED WITH ORIGINAL ISSUE DISCOUNT FOR PURPOSES OF SECTIONS 1271 ET SEQ. OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED. THE ISSUE PRICE OF THIS NOTE IS $980.22 PER PRINCIPAL AMOUNT OF $1,000 AT MATURITY. THE ISSUE DATE OF THIS NOTE IS AUGUST 11, 2009. THE YIELD-TO-MATURITY OF THIS NOTE IS 12.00% PER ANNUM, COMPOUNDED SEMI-ANNUALLY. THE TOTAL AMOUNT OF ORIGINAL ISSUE DISCOUNT ON THIS NOTE AS OF THE ISSUE DATE IS $19.78 PER PRINCIPAL AMOUNT OF $1,000 AT MATURITY.

[Insert the Global Note Legend, if applicable pursuant to the terms of the Indenture]

[Insert the Private Placement Legend, if applicable pursuant to the terms of the Indenture]

Capitalized terms used herein shall have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

1. ***Interest***. Novelis Inc., a Canadian corporation (the "***Company***"), promises to pay interest (as defined in the Indenture) on the principal amount of this Note at 11.5% per annum until maturity and shall pay Additional Interest, if any, as provided in the Registration Rights Agreement relating to the Notes. The Company shall pay interest semi-annually in arrears in cash on February 15 and August 15 of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each an "***Interest Payment Date***"). Interest on the Notes shall accrue from the most recent date to which interest has been paid or, if no interest has been paid, from August 11, 2009; *provided, however*, that if there is no existing Default in the payment of interest, and if this Note is authenticated between a record date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such next succeeding Interest Payment Date; *provided, further*, that the first Interest Payment Date shall be February 15, 2010. The Company shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, from time to time at a rate that is 1% per annum in excess of the interest rate then in effect under the Indenture and the Notes; it shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest (without regard to any applicable grace periods), from time to time at the same rate to the extent lawful. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. For purposes of the Interest Act (Canada), the yearly rate of interest that is equivalent to the rate payable hereunder is the rate payable multiplied by the actual number of days in the year and divided by 360.

2. ***Method of Payment***. The Company shall pay interest on this Note (except defaulted interest) to the Persons in whose name this Note is registered at the close of business on the February 1 or August 1 next preceding the Interest Payment Date, even if such Note is cancelled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. This Note shall be payable as to principal, premium, if any, and interest and Additional Interest, if any, at the office or agency of the Company maintained for such purpose, or, at the option of the Company, payment of interest may be made by check mailed to the Holders at their addresses set forth in the Security Register; *provided, however*, that payment by wire transfer of immediately available funds shall be required with respect to principal of and interest and Additional Interest, if any, and premium, if any, on, all Global Notes and all other Notes the Holders of which shall have provided wire transfer instructions to the Company or the Paying Agent. Such payment shall be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

3. ***Paying Agent and Registrar***. Initially, The Bank of New York Mellon Trust Company, N.A., the Trustee under the Indenture, shall act as Paying Agent and Registrar. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company or any of its Subsidiaries may act in any such capacity.

4. ***Indenture***. The Company issued the Notes under an Indenture dated as of August 11, 2009 ("***Indenture***") among the Company, the subsidiary guarantors party thereto (the "***Subsidiary Guarantors***") and the Trustee. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (15 U.S. Code §§ 77aaa-77bbbb). The Notes are subject to all such terms, and Holders are referred to the Indenture and such Act for a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling.

5. ***Optional Redemption***.

(a) Except as set forth in clauses (b), (c) and (d) of this paragraph 5, the Notes will not be redeemable at the option of the Company prior to August 15, 2012. Starting on that date, the Company may redeem all or any portion of the Notes, at once or over time, after giving the required notice under the Indenture. The Notes may be redeemed at the redemption prices set forth below, plus accrued and unpaid interest, if any, to but excluding the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date). The following prices are for Notes redeemed during the periods set forth below, and are expressed as percentages of principal amount:

Year	Redemption Price
August 15, 2012 through February 14, 2013	108.625%
February 15, 2013 through February 14, 2014	105.750%
February 15, 2014 and thereafter	100.000%

(b) At any time prior to August 15, 2012, the Company may from time to time redeem all or any portion of the Notes after giving the required notice under the Indenture at a redemption price equal to the greater of:

(i) 100% of the principal amount of the Notes to be redeemed; and

(ii) the sum of the present values of (1) the redemption price of the Notes at August 15, 2012 (as set forth in the preceding paragraph) and (2) the remaining scheduled payments of interest from the redemption date through August 15, 2012, but excluding accrued and unpaid interest through the redemption date, discounted to the redemption date (assuming a 360-day year consisting of twelve 30-day months), at the Treasury Rate plus 50 basis points,

plus, in either case, accrued and unpaid interest, including Additional Interest, if any, to but excluding the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

(c) At any time and from time to time prior to August 15, 2012, the Company may redeem up to a maximum of 35% of the original aggregate principal amount of the Notes (including any Additional Notes) with the proceeds of one or more Public Equity Offerings at a redemption price equal to 111.500% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest, including Additional Interest, if any, to the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date); *provided*, *however*, that after giving effect to any such redemption, at least 65% of the original aggregate principal amount of the Notes (including any Additional Notes) remains outstanding. Notice of any such redemption shall be made within 90 days of such Public Equity Offering and such redemption shall be effected upon not less than 30 nor more than 60 days' prior notice to the Holders as provided in Section 3.03 of the Indenture.

(d) The Company may, at its option, at any time redeem in whole but not in part the outstanding Notes at a redemption price equal to 100% of the principal amount thereof plus accrued and unpaid interest, including Additional Interest, if any, to the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date) if it has become obligated to pay any Additional Amounts in respect of the Notes as a result of:

(i) any change in or amendment to the laws (or regulations promulgated thereunder) of any Taxing Jurisdiction; or

(ii) any change in or amendment to any official position regarding the application or interpretation of such laws or regulations, which change or amendment is announced or is effective on or after the Issue Date.

(e) Any redemption pursuant to this paragraph 5 shall be made pursuant to the provisions of Sections 3.01 through 3.06 of the Indenture.

6. ***Sinking Fund***.

The Company shall not be required to make sinking fund payments for the Notes.

7. ***Repurchase at Option of Holder***.

(a) Upon the occurrence of a Change of Control, the Company shall, within 30 days of a Change of Control, make an offer (the "***Change of Control Offer***") pursuant to the procedures set forth in Section 3.09 of the Indenture. Each Holder shall have the right to accept such offer and require the Company to repurchase all or any portion (equal to $2,000 or any integral multiple of $1,000 in excess thereof) of such Holder's Notes pursuant to the Change of Control Offer at a purchase price, in cash, equal to 101% of the aggregate principal amount of Notes repurchased, plus in each case accrued and unpaid interest, including Additional Interest, if any, on the Notes repurchased, to the repurchase date.

(b) Any Net Available Cash from Asset Sales that is not applied as provided in Section 4.12(b) of the Indenture will constitute Excess Proceeds ("***Excess Proceeds***"). When the aggregate amount of Excess Proceeds exceeds $25.0 million, the Company shall commence an offer to all Holders for Notes pursuant to the Indenture by applying the Allocable Excess Proceeds (a "***Prepayment Offer***") pursuant to Section 3.09 of the Indenture to purchase the maximum principal amount of Notes that may be purchased out of the Excess Proceeds at an offer price in cash equal to 100% of the principal amount thereof plus accrued and unpaid interest, including Additional Interest, if any, to the date fixed for the closing of such offer in accordance with the procedures set forth in the Indenture. To the extent that the aggregate amount of Notes tendered pursuant to a Prepayment Offer is less than the Excess Proceeds after compliance with the previous sentence and provided that all Holders have been given the opportunity to tender their Notes for repurchase in accordance with the Indenture, the Company or such Restricted Subsidiary may use such deficiency for any purpose permitted by the Indenture and the amount of Excess Proceeds will be reset to zero. If the aggregate principal amount of Notes surrendered by Holders thereof exceeds the amount of Excess Proceeds, the Trustee shall select the Notes to be purchased on a *pro rata* basis. Holders of Notes that are the subject of an offer to purchase will receive a Prepayment Offer from the Company prior to any related purchase date and may elect to have such Notes purchased by completing the form entitled "Option of Holder to Elect Purchase" on the reverse of the Notes.

8. ***Notice of Redemption***. Notice of redemption shall be mailed at least 30 days but not more than 60 days before the redemption date to each Holder whose Notes are to be redeemed at its registered address. Notes in denominations larger than $2,000 may be redeemed in part but only in whole multiples of $1,000 in excess thereof, unless all of the Notes held by a Holder are to be redeemed. On and after the redemption date interest ceases to accrue on Notes or portions thereof called for redemption.

9. ***Denominations, Transfer, Exchange***. The Notes are in registered form without coupons in denominations of $2,000 or an integral multiple of $1,000 in excess thereof except in the case of issuances of Notes in payment of Additional Interest as provided in Section 2.13 of the Indenture. This Note shall represent the aggregate principal amount of outstanding Notes from time to time endorsed hereon and the aggregate principal amount of Notes represented hereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by

law or permitted by the Indenture. The Company need not exchange or register the transfer of any Note or portion of any Note selected for redemption, except for the unredeemed portion of any Note being redeemed in part. Also, the Company need not exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed or during the period between a record date and the corresponding Interest Payment Date.

10. ***Persons Deemed Owners***. The registered Holder of a Note may be treated as its owner for all purposes.

11. ***Amendment, Supplement and Waiver***.

(a) Subject to certain exceptions in Section 9.02 of the Indenture, the Company and the Trustee may amend or supplement the Indenture or the Notes with the consent of the Holders of a majority in aggregate principal amount of the Notes then outstanding voting as a single class (including consents obtained in connection with a purchase of or tender offer or exchange offer for the Notes), and, subject to Sections 6.04 and 6.07 of the Indenture, any existing Default or Event of Default (except a continuing Default or Event of Default in (a) the payment of principal, premium, if any, interest or Additional Interest, if any, on the Notes and (b) in respect of a covenant or provision which under the Indenture cannot be modified or amended without the consent of each Holder of each Note affected by such modification or amendment) or compliance with any provision of the Indenture or the Notes may be waived with the consent of the Holders of a majority in aggregate principal amount of the Notes then outstanding voting as a single class (including consents obtained in connection with a purchase of or tender offer or exchange offer for the Notes).

(b) The Company and the Trustee may amend or supplement the Indenture or the Notes, without the consent of any Holder, to cure any ambiguity, omission, defect or inconsistency, to provide for the assumption by a successor corporation, partnership or limited liability company of the obligations of the Company under the Indenture, to provide for uncertificated Notes in certain circumstances in addition to or in place of certificated Notes, to add additional Subsidiary Guaranties with respect to the Notes, to secure the Notes, to add to the covenants of the Company for the benefit of the Holders or to surrender any right or power conferred upon the Company, to make any change that does not adversely affect the rights under the Indenture of any Holder, to make any change to comply with any requirement of the Commission in connection with the qualification of the Indenture under the TIA, to evidence or provide for a successor Trustee or to provide for the issuance of Additional Notes.

12. ***Defaults and Remedies***. Each of the following is an Event of Default under the Indenture: failure to make the payment of any interest, including Additional Interest, if any, on any of the Notes when the same becomes due and payable, and such failure continues for a period of 30 days; failure to make the payment of any principal of, or premium, if any, on, any of the Notes when the same becomes due and payable at its Stated Maturity, upon acceleration, redemption, optional redemption, required repurchase or otherwise; failure to comply with the provisions of Section 5.01 of the Indenture; failure to comply with any other covenant or agreement in the Notes or in the Indenture (other than a failure that is the subject of the foregoing clauses) and such failure continues for 60 days after written notice is given to the Company as provided below; a default under any Debt by the Company or any Restricted Subsidiary that results in acceleration of the maturity of such Debt, or failure to pay any such Debt at maturity, in an aggregate amount greater than $50 million (or its foreign currency equivalent at the time); any judgment or judgments for the payment of money in an aggregate amount in excess of $50 million (or its foreign currency equivalent at the time) that shall be rendered against the Company or any Restricted Subsidiary and that shall not be waived, satisfied or discharged for any period of 60 consecutive days during which a stay of enforcement shall not be in effect; certain events of bankruptcy, insolvency or reorganization affecting the Company or any of its Significant Subsidiaries; any Subsidiary Guaranty ceases to be in full force and effect (other than in accordance with the terms of such Subsidiary Guaranty and the Indenture) or any Subsidiary Guarantor denies or disaffirms its obligations under its Subsidiary Guaranty; and any security interest securing the Notes or any Subsidiary Guaranty that may be granted after the Issue Date pursuant to the terms of the Indenture shall, at any time, cease to be in full force and effect for any reason other than in accordance with its terms or the satisfaction in full of all obligations under the Indenture and discharge of the Indenture or be declared invalid or unenforceable or the Company or any Subsidiary Guarantor shall assert, in any pleading in any court of competent jurisdiction, that any such security interest is invalid or unenforceable.

Upon any Officer becoming aware of any Default or Event of Default, the Company shall deliver to the Trustee, within ten days of becoming so aware, written notice in the form of an Officers' Certificate specifying such Default or Event of Default, its status, and the action the Company proposes to take with respect thereto.

If any Event of Default (other than those of the type described in Section 6.01(g) or (h)) of the Indenture shall have occurred and be continuing, the Trustee may, and the Trustee upon the request of Holders of 25% in principal amount of the outstanding Notes shall, or the Holders of not less than 25% in principal amount of outstanding Notes may, declare the principal of all the Notes, plus all accrued and unpaid interest, including Additional Interest, if any, to be immediately due and payable by notice in writing to the Company and the Trustee specifying the respective Event of Default and that such notice is a notice of acceleration, and the same shall become immediately due and payable. In the case of an Event of Default specified in Section (g) or (h) of Section 6.01 of the Indenture, all outstanding Notes shall become due and payable immediately without any further declaration or other act on the part of the Trustee or the Holders. Holders may not enforce the Indenture or the Notes except as provided in the Indenture.

13. ***Trustee Dealings with Company***. Subject to certain limitations, the Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Company or any Affiliate of the Company with the same rights it would have if it were not Trustee.

14. ***No Personal Liability***. No director, officer, employee, incorporator, stockholder or member of the Company or any Subsidiary or Affiliate of the Company, as such, will have any liability for any obligations under the Notes, the Indenture, the Subsidiary Guaranties or the Registration Rights Agreement, or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability.

15. ***Authentication***. This Note shall not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

16. ***Abbreviations***. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

17. ***Additional Rights of Holders of Restricted Global Notes and Restricted Definitive Notes***. In addition to the rights provided to Holders of Notes under the Indenture, Holders of Restricted Global Notes and Restricted Definitive Notes shall have all the rights set forth in the Registration Rights Agreement, dated as of August 11, 2009, between the Company and the parties named on the signature pages thereto.

18. ***CUSIP Numbers***. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Notes and has directed the Trustee to use CUSIP numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

The Company shall furnish to any Holder upon written request and without charge a copy of the Indenture. Requests may be made to:

Novelis Inc.
3399 Peachtree Road, Suite 1500
Atlanta, Georgia 30326
Attention: Treasurer
Facsimile: 404-814-4219

19. **Governing Law**. The laws of the State of New York shall govern and be used to construe this Note.

Option of Holder to Elect Purchase

If you want to elect to have this Note purchased by the Company pursuant to Section 4.12 or 4.17 of the Indenture, check the box below:

o Section 4.12

o Section 4.17

If you want to elect to have only part of the Note purchased by the Company pursuant to Section 4.12 or Section 4.17 of the Indenture, state the amount you elect to have purchased: $_____

Date: _____

Your Signature: _____
(Sign exactly as your name appears on the Note)

Tax Identification No.:

_____

SIGNATURE GUARANTEE:

_____

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("**STAMP**") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Assignment Form

To assign this Note, fill in the form below:

(I) or (we) assign and transfer this Note to

(Insert assignee's social security or other tax I.D. no.)

(Print or type assignee's name, address and zip code)

and irrevocably appoint
as agent to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Date: _____

Your Signature _____
(Sign exactly as your name appears on the face of this Note)

Signature Subsidiary Guaranty: _____

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL NOTE

The following exchanges of a part of this Global Note for an interest in another Global Note or for a Definitive Note, or exchanges of a part of another Global Note or Definitive Note for an interest in this Global Note, have been made:

Date of Exchange	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease (or increase)	Signature of authorized signatory of Trustee or Note Custodian

EXHIBIT B

FORM OF CERTIFICATE OF TRANSFER

Novelis Inc.
3399 Peachtree Road, Suite 1500
Atlanta, Georgia 30326
Attention: Treasurer
Facsimile: 404-814-4219

The Bank of New York Mellon Trust Company, N.A.
900 Ashwood Parkway
Suite 425
Atlanta, Georgia 30338
Attention: Lee Ann Willis
Facsimile: 770-698-5196

Re: 11½% Senior Notes due 2015

Reference is hereby made to the Indenture, dated as of August 11, 2009 (the "***Indenture***"), among Novelis Inc., as issuer (the "***Company***"), the Subsidiary Guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

___, (the "***Transferor***") owns and proposes to transfer the Note[s] or interest in such Note[s] specified in Annex A hereto, in the principal amount of $___ in such Note[s] or interests (the "***Transfer***"), to ___ (the "***Transferee***"), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1. o **Check if Transferee will take delivery of a beneficial interest in the 144A Global Note or a Definitive Note Pursuant to Rule 144A**. The Transfer is being effected pursuant to and in accordance with Rule 144A under the United States Securities Act of 1933, as amended (the "***Securities Act***"), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Definitive Note is being transferred to a Person that the Transferor reasonably believed and believes is purchasing the beneficial interest or Definitive Note for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Global Note and/or the Definitive Note and in the Indenture and the Securities Act.

2. o Check if Transferee will take delivery of a beneficial interest in the Regulation S Global Note or a Definitive Note pursuant to Regulation S. The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is not being made to a Person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(a) of Regulation S under the Securities Act, (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act and (iv) if the proposed transfer is being made prior to the expiration of the Distribution Compliance

Period, the transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on Transfer enumerated in the Private Placement Legend printed on the Regulation S Global Note and/or the Definitive Note and in the Indenture and the Securities Act.

3. o **Check and complete if Transferee will take delivery of a beneficial interest in the IAI Global Note or a Definitive Note pursuant to any provision of the Securities Act other than Rule 144A or Regulation S**. The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Restricted Global Notes and Restricted Definitive Notes and pursuant to and in accordance with the Securities Act and any applicable blue sky securities laws of any state of the United States, and accordingly the Transferor hereby further certifies that (check one):

(a) such Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act;

or

(b) such Transfer is being effected to the Company or a subsidiary thereof;

or

(c) such Transfer is being effected pursuant to an effective registration statement under the Securities Act and in compliance with the prospectus delivery requirements of the Securities Act;

or

(d) o such Transfer is being effected to an Institutional Accredited Investor and pursuant to an exemption from the registration requirements of the Securities Act other than Rule 144A, Rule 144 or Rule 904, and the Transferor hereby further certifies that it has not engaged in any general solicitation within the meaning of Regulation D under the Securities Act and the Transfer complies with the transfer restrictions applicable to beneficial interests in a Restricted Global Note or Restricted Definitive Notes and the requirements of the exemption claimed, which certification is supported by (1) a certificate executed by the Transferee in the form of Exhibit D to the Indenture and (2) if such Transfer is in respect of a principal amount of Notes at the time of transfer of less than $250,000, an Opinion of Counsel provided by the Transferor or the Transferee (a copy of which the Transferor has attached to this certification), to the effect that such Transfer is in compliance with the Securities Act. Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the IAI Global Note and/or the Definitive Notes and in the Indenture and the Securities Act.

4. o **Check if Transferee will take delivery of a beneficial interest in an Unrestricted Global Note or of an Unrestricted Definitive Note**.

(a) o **Check if Transfer is pursuant to Rule 144**. (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(b) o **Check if Transfer is Pursuant to Regulation S**. (i) The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and in compliance with the

transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(c) o **Check if Transfer is Pursuant to Other Exemption**. (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 903 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will not be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes or Restricted Definitive Notes and in the Indenture.

5. o **Check if Transferor is an affiliate of the Company**.

6. o **Check if Transferee is an affiliate of the Company**.

The Transferor further certifies, in connection with each of the foregoing certifications, that if the transfer is being made within four months and a day after the original issuance of the Notes, the Transferee is not a person resident in any province or territory of Canada unless the Transferee is eligible to acquire the Notes under an exemption from the applicable Canadian securities laws and such transfer is in compliance with, or pursuant to, such exemption.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

_____
[Insert Name of Transferor]

By: _____
Name:
Title:

Dated: _____

ANNEX A TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE OF (a) OR (b)]

(a) o a beneficial interest in the:

(i) o 144A Global Note (CUSIP 67000XAD8); or

(ii) o Regulation S Global Note (CUSIP C6780CAB9); or

(iii) o IAI Global Note (CUSIP ___); or

(b) o a Restricted Definitive Note.

2. After the Transfer the Transferee will hold:

[CHECK ONE OF (a), (b) OR (c)]

(a) o a beneficial interest in the:

(i) o 144A Global Note (CUSIP 67000XAD8); or

(ii) o Regulation S Global Note (CUSIP C6780CAB9); or

(iii) o IAI Global Note (CUSIP ___); or

(iv) o Unrestricted Global Note (CUSIP ___); or

(b) o a Restricted Definitive Note; or

(c) an Unrestricted Definitive Note,

in accordance with the terms of the Indenture.

EXHIBIT C

FORM OF CERTIFICATE OF EXCHANGE

Novelis Inc.
3399 Peachtree Road, Suite 1500
Atlanta, Georgia 30326
Attention: Treasurer
Facsimile: 404-814-4219

The Bank of New York Mellon Trust Company, N.A.
900 Ashwood Parkway
Suite 425
Atlanta, Georgia 30338
Attention: Lee Ann Willis
Facsimile: 770-698-5196

Re: 11½% Senior Notes due 2015

Reference is hereby made to the Indenture, dated as of August 11, 2009 (the "***Indenture***"), among Novelis Inc., as issuer (the "***Company***"), the Subsidiary Guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

___, (the "***Owner***") owns and proposes to exchange the Note[s] or interest in such Note[s] specified herein, in the principal amount of $___ in such Note[s] or interests (the "***Exchange***"). In connection with the Exchange, the Owner hereby certifies that:

1. **Exchange of Restricted Definitive Notes or Beneficial Interests in a Restricted Global Note for Unrestricted Definitive Notes or Beneficial Interests in an Unrestricted Global Note**

(a) o **Check if Exchange is from beneficial interest in a Restricted Global Note to beneficial interest in an Unrestricted Global Note.** In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a beneficial interest in an Unrestricted Global Note in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Note and pursuant to and in accordance with the United States Securities Act of 1933, as amended (the "***Securities Act***"), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest in an Unrestricted Global Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(b) o **Check if Exchange is from beneficial interest in a Restricted Global Note to Unrestricted Definitive Note.** In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Unrestricted Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Note and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(c) o **Check if Exchange is from Restricted Definitive Note to beneficial interest in an Unrestricted Global Note.** In connection with the Owner's Exchange of a Restricted Definitive Note for a beneficial interest in an Unrestricted Global Note, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the

transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(d) o **Check if Exchange is from Restricted Definitive Note to Unrestricted Definitive Note.** In connection with the Owner's Exchange of a Restricted Definitive Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Unrestricted Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

2. **Exchange of Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes for Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes**

(a) o **Check if Exchange is from beneficial interest in a Restricted Global Note to Restricted Definitive Note**. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a Restricted Definitive Note with an equal principal amount, the Owner hereby certifies that the Restricted Definitive Note is being acquired for the Owner's own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Definitive Note issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Note and in the Indenture and the Securities Act.

(b) o **Check if Exchange is from Restricted Definitive Note to beneficial interest in a Restricted Global Note.** In connection with the Exchange of the Owner's Restricted Definitive Note for a beneficial interest in the [CIRCLE ONE] 144A Global Note, Regulation S Global Note, IAI Global Note with an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Definitive Note and pursuant to and in accordance with the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the relevant Restricted Global Note and in the Indenture and the Securities Act.

3. o **Check if owner is an affiliate of the Company**.

4. o **Check if owner is exchanging this note in connection with an expected transfer to an affiliate of the Company**.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

_____
[Insert Name of Transferor]

By: _____
Name:
Title:

Dated: _____

EXHIBIT D

FORM OF CERTIFICATE FROM
ACQUIRING INSTITUTIONAL ACCREDITED INVESTOR

Novelis Inc.
3399 Peachtree Road, Suite 1500
Atlanta, Georgia 30326
Attention: Treasurer
Facsimile: 404-814-4219

The Bank of New York Mellon Trust Company, N.A.
900 Ashwood Parkway
Suite 425
Atlanta, Georgia 30338
Attention: Lee Ann Willis
Facsimile: 770-698-5196

Re: 11½% Senior Notes due 2015

Reference is hereby made to the Indenture, dated as of August 11, 2009 (the "***Indenture***"), among Novelis Inc., as issuer (the "***Company***"), the Subsidiary Guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

In connection with our proposed purchase of $___ aggregate principal amount of:

(a) o a beneficial interest in a Global Note, or

(b) o a Definitive Note,

we confirm that:

1. We understand that any subsequent transfer of the Notes or any interest therein is subject to certain restrictions and conditions set forth in the Indenture and the undersigned agrees to be bound by, and not to resell, pledge or otherwise transfer the Notes or any interest therein except in compliance with, such restrictions and conditions and the United States Securities Act of 1933, as amended (the "***Securities Act***").

2. We understand that the offer and sale of the Notes have not been registered under the Securities Act, and that the Notes and any interest therein may not be offered or sold except as permitted in the following sentence. We agree, on our own behalf and on behalf of any accounts for which we are acting as hereinafter stated, that if we should sell the Notes or any interest therein, we will do so only (A) to the Company or any subsidiary thereof, (B) in accordance with Rule 144A under the Securities Act to a "qualified institutional buyer" (as defined therein), (C) to an institutional "accredited investor" (as defined below) that, prior to such transfer, furnishes (or has furnished on its behalf by a U.S. broker-dealer) to you and to the Company a signed letter substantially in the form of this letter and, if such transfer is in respect of a principal amount of Notes, at the time of transfer of less than $250,000, an Opinion of Counsel in form reasonably acceptable to the Company to the effect that such transfer is in compliance with the Securities Act, (D) outside the United States in accordance with Rule 904 of Regulation S under the Securities Act, (E) pursuant to the provisions of Rule 144(k) under the Securities Act or (F) pursuant to an effective registration statement under the Securities Act, and we further agree to provide to any Person purchasing the Definitive Note or beneficial interest in a Global Note from us in a transaction meeting the requirements of clauses (A) through (E) of this paragraph a notice advising such purchaser that resales thereof are restricted as stated herein.

3. We understand that, on any proposed resale of the Notes or beneficial interest therein, we will be required to furnish to you and the Company such certifications, legal opinions and other information as you and the Company may reasonably require to confirm that the proposed sale complies with the foregoing restrictions. We further understand that the Notes purchased by us will bear a legend to the foregoing effect.

4. We are an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act) and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of our investment in the Notes, and we and any accounts for which we are acting are each able to bear the economic risk of our or its investment. We have had access to such financial and other information, and have been afforded the opportunity to ask such questions of representatives of the Company and receive answers thereto, as we deem necessary in connection with our decision to purchase the Notes.

5. We are acquiring the Notes or beneficial interest therein purchased by us for our own account or for one or more accounts (each of which is an institutional "accredited investor") as to each of which we exercise sole investment discretion and are not acquiring the Notes with a view to any distribution thereof in a transaction that would violate the Securities Act of the securities laws of any state of the United States or any other applicable jurisdiction.

You and the Company are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby. This letter shall be governed by, and construed in accordance with, the laws of the State of New York.

_____

[Insert Name of Accredited Investor]

By: _____

Name:

Title:

Dated: _____

EXHIBIT E

FORM OF NOTATION OF GUARANTEE

For value received, each Subsidiary Guarantor (which term includes any successor Person under the Indenture), jointly and severally, unconditionally guarantees, to the extent set forth in the Indenture and subject to the provisions in the Indenture, dated as of August 11, 2009 (the "***Indenture***"), among Novelis Inc., as issuer (the "***Company***"), the Subsidiary Guarantors listed on the signature pages thereto and The Bank of New York Mellon Trust Company, N.A., as trustee (the "***Trustee***"), (a) the due and punctual payment of the principal of, premium, if any, and interest and Additional Interest, if any, on the Notes, whether at maturity, by acceleration, redemption or otherwise, the due and punctual payment of interest on overdue principal and premium, if any, and, to the extent permitted by law, interest and Additional Interest, if any, and the due and punctual performance of all other obligations of the Company to the Holders or the Trustee all in accordance with the terms of the Indenture and (b) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. The obligations of the Subsidiary Guarantors to the Holders, in their capacities as such, of Notes and to the Trustee pursuant to the Guarantee and the Indenture are expressly set forth in the Indenture, including Article 10 and Schedule A thereto, and reference is hereby made to the Indenture for the precise terms and any limitations of the Guarantee. This Guarantee is subject to release as and to the extent set forth in Sections 8.02, 8.03 and 10.05 of the Indenture. Each Holder of a Note, by accepting the same agrees to and shall be bound by such provisions. Capitalized terms used herein and not defined are used herein as so defined in the Indenture.

Subsidiary Guarantors

US Subsidiary Guarantors:

NOVELIS CORPORATION
By its duly appointed attorney:

_____
Name:

EUROFOIL INC. (USA)
By its duly appointed attorney:

_____
Name:

NOVELIS PAE CORPORATION
By its duly appointed attorney:

_____
Name:

NOVELIS BRAND LLC
By its duly appointed attorney:

_____
Name:

NOVELIS SOUTH AMERICA HOLDINGS LLC
By its duly appointed attorney:

_____
Name:

ALUMINUM UPSTREAM HOLDINGS LLC
By its duly appointed attorney:

_____
Name:

Canadian Subsidiary Guarantors:

NOVELIS CAST HOUSE TECHNOLOGY LTD.
By its duly appointed attorney:

_____
Name:

4260848 CANADA INC.
By its duly appointed attorney:

_____
Name:

4260856 CANADA INC.
By its duly appointed attorney:

_____
Name:

NOVELIS NO. 1 LIMITED PARTNERSHIP

By: 4260848 CANADA INC., its General Partner
By its duly appointed attorney:

_____
Name:

UK Subsidiary Guarantors:

EXECUTED AND DELIVERED AS A DEED ON THE DATE FIRST SHOWN ABOVE BY NOVELIS EUROPE HOLDINGS LIMITED
By its duly appointed attorney:

Name:

In the presence of:

Witness name:

Witness occupation:

Witness address:

EXECUTED AND DELIVERED AS A DEED ON THE DATE FIRST SHOWN ABOVE BY NOVELIS UK LTD.
By its duly appointed attorney:

Name:

In the presence of:

Witness name:

Witness occupation:

Witness address:

EXECUTED AND DELIVERED AS A DEED ON THE DATE FIRST SHOWN ABOVE BY NOVELIS SERVICES LIMITED
By its duly appointed attorney:

Name:

In the presence of:

Witness name:

Witness occupation:

Witness address:

Brazilian Subsidiary Guarantor:

NOVELIS DO BRASIL LTDA.
By its duly appointed attorney:

_____
Name:

Witnesses:
1. _____
Name _____
ID _____

2. _____
Name _____
ID _____

Luxembourg Subsidiary Guarantor:

NOVELIS LUXEMBOURG S.A.
By its duly appointed attorney:

_____
Name:

French Subsidiary Guarantor:

NOVELIS PAE S.A.S.
By its duly appointed attorney:

_____
Name:

Portuguese Subsidiary Guarantor:

NOVELIS MADEIRA, UNIPESSOAL, LDA
By its duly appointed attorney:

_____
Name:

Irish Subsidiary Guarantor:

SIGNED SEALED AND DELIVERED
for and on behalf of
NOVELIS ALUMINIUM HOLDING COMPANY
By its lawfully appointed attorney:

Name:

in the presence of:

Name:

German Subsidiary Guarantor:

NOVELIS DEUTSCHLAND GMBH
By its duly appointed attorney:

Name:

Swiss Subsidiary Guarantors:

NOVELIS AG
By its duly appointed attorney:

Name:

NOVELIS SWITZERLAND SA
By its duly appointed attorney:

Name:

NOVELIS TECHNOLOGY AG
By its duly appointed attorney:

Name:

EXHIBIT F

FORM OF INDENTURE SUPPLEMENT TO ADD SUBSIDIARY GUARANTORS

This Supplemental Indenture, dated as of [_____], 20___ (this "***Supplemental Indenture***" or "***Guarantee***"), among [**name of future Subsidiary Guarantor**] (the "***Subsidiary Guarantor***"), Novelis Inc. (together with its successors and assigns, the "***Company***" or the "***Issuer***"), each other then existing Guarantor under this Indenture referred to below (the "***Subsidiary Guarantors***"), and The Bank of New York Mellon Trust Company, N.A., as Trustee under this Indenture referred to below.

W I T N E S S E T H :

WHEREAS, the Issuer, the Subsidiary Guarantors and the Trustee have heretofore executed and delivered an Indenture, dated as of August 11, 2009 (as amended, supplemented, waived or otherwise modified, the "***Indenture***"), providing for the issuance of Notes of the Issuer (the "***Notes***");

WHEREAS, Section 4.18 of this Indenture provides that the Company is required to cause each Subsidiary Guarantor to execute and deliver to the Trustee a supplemental indenture pursuant to which the Subsidiary Guarantor will unconditionally Guarantee, on a joint and several basis with the other Subsidiary Guarantors, the full and prompt payment of the principal of, premium, if any, and interest on the Notes on a senior basis; and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee and the Issuer are authorized to execute and deliver this Supplemental Indenture to amend or supplement this Indenture, without the consent of any Holder.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Subsidiary Guarantor, the Issuer, the other Subsidiary Guarantors and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

ARTICLE I

DEFINITIONS

SECTION 1.1 Defined Terms. As used in this Supplemental Indenture, terms defined in this Indenture or in the preamble or recital hereto are used herein as therein defined, except that the term "***Holders***" in this Guarantee shall refer to the term "***Holders***" as defined in this Indenture and the Trustee acting on behalf or for the benefit of such Holders. The words "herein," "hereof" and "hereby" and other words of similar import used in this Supplemental Indenture refer to this Supplemental Indenture as a whole and not to any particular section hereof.

ARTICLE II

AGREEMENT TO BE BOUND; GUARANTEE

SECTION 2.1 Agreement to be Bound. The Subsidiary Guarantor hereby becomes a party to this Indenture as a Subsidiary Guarantor and as such will have all of the rights and be subject to all of the obligations and agreements of a Guarantor under this Indenture. The Subsidiary Guarantor agrees to be bound by all of the provisions of this Indenture applicable to a Subsidiary Guarantor and to perform all of the obligations and agreements of a Subsidiary Guarantor under this Indenture.

SECTION 2.2 Guarantee. The Subsidiary Guarantor agrees, on a joint and several basis with all the existing Subsidiary Guarantors, to fully, unconditionally and irrevocably Guarantee to each Holder and the Trustee the Obligations on a senior basis as provided in Article 10 of this Indenture.

ARTICLE III

MISCELLANEOUS

SECTION 3.1 Notices. All notices and other communications to the Subsidiary Guarantor shall be given as provided in this Indenture to the Subsidiary Guarantor, at its address set forth below, with a copy to the Issuer as provided in this Indenture for notices to the Issuer.

SECTION 3.2 Parties. Nothing expressed or mentioned herein is intended or shall be construed to give any Person, firm or corporation, other than the Holders and the Trustee, any legal or equitable right, remedy or claim under or in respect of this Supplemental Indenture or this Indenture or any provision herein or therein contained.

SECTION 3.3 Governing Law. THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 3.4 Severability Clause. In case any provision in this Supplemental Indenture shall be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions; and the invalidity of a particular provision in a particular jurisdictions shall not invalidate such provision in any other jurisdiction.

SECTION 3.5 Ratification of Indenture; Supplemental Indentures Part of Indenture. Except as expressly amended hereby, this Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of this Indenture for all purposes, and every Holder heretofore or hereafter authenticated and delivered shall be bound hereby. The Trustee makes no representation or warranty as to the validity or sufficiency of this Supplemental Indenture.

SECTION 3.6 Counterparts. The parties hereto may sign one or more copies of this Supplemental Indenture in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute one and the same agreement.

SECTION 3.7 Headings. The headings of the Articles and the sections in this Supplemental Indenture are for convenience of reference only, are not part of this Supplemental Indenture and shall not be deemed to alter or affect the meaning or interpretation of any provisions hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

Company:

NOVELIS INC.

By: _____
Name:
Title:

Subsidiary Guarantors:

[FUTURE GUARANTORS]

By: _____
Name:
Title:

SCHEDULE A

LIMITATION OF GUARANTY

Germany

Limitation on Liability

(a) The Holders and the Trustee agree not to enforce against a guarantor incorporated in Germany and constituted in the form of a GmbH (a "***German GmbH Guarantor***"), including but not limited to Novelis Deutschland GmbH, or a GmbH & Co. KG (a "***German GmbH & Co. KG Guarantor***" and together with any German GmbH Guarantor hereinafter referred to as a "***German Guarantor***") any payment obligation arising out of the Guarantee, (the "***Payment Obligation***") if and to the extent such guarantee secures obligations of an affiliated company (*verbundenes Unternehmen*) of such German Guarantor within the meaning of Section 15 of the German Stock Corporation Act (*Aktiengesetz*) (other than any of the German Guarantor's Subsidiaries) and the enforcement of such Payment Obligation would cause the German Guarantor's, or in the case of a German GmbH & Co. KG Guarantor its general partner's net assets (*Reinvermögen*), i.e., assets (the calculation of which shall include all items set forth in Section 266(2) A., B. and C. of the German Commercial Code (*Handelsgesetzbuch*)) minus liabilities (the calculation of which shall include all items set forth in Section 266(3) B., C. and D. of the German Commercial Code (*Handelsgesetzbuch*)) and accruals (*Rückstellungen*) to fall below its stated share capital (*Stammkapital*) (*Begründung einer Unterbilanz*) or, if such net assets are already less than its stated share capital (Stammkapital), would cause such amount to be further reduced (*Vertiefung einer Unterbilanz*) (such event a "***Capital Impairment***") *provided* that for the purposes of calculating the amount not to be enforced (if any) the following balance sheet items shall be adjusted as follows:

(i) the amount of any increase of stated share capital (*Stammkapital*) of the German Guarantor or, in the case of a German GmbH & Co. KG Guarantor of its general partner, after the date hereof that has been effected out of retained earnings (*Kapitalerhöhung aus Gesellschaftsmitteln*) without the prior written consent of the Holders and the Trustee shall be deducted from the stated share capital (*Stammkapital*);

(ii) any loans provided to the German Guarantor by any members of the Group or any of its shareholders shall be disregarded to the extent that such loans are subordinated to any claims pursuant to Section 39 (1) Nr. 1 through Nr. 5 of the German Insolvency Code (*Insolvenzordnung*) or subordinated in any other way by law or contract; and

(iii) any loans and other contractual liabilities incurred by the German Guarantor in *violation* of the provisions of any of the Transaction Documents shall be disregarded.

(b) Upon delivery of an Enforcement Notice and upon request of the Holders and the Trustee each German Guarantor shall realize by way of sale or auction any asset that is shown in the balance sheet with a book value (*Buchwert*) that is significantly lower than the market value of such asset, which is not necessary for the German Guarantor's business (*betriebsnotwendig*) and that can be realized (if this is not unreasonably in respect of the German Guarantor's business and to the extent legally possible).

(c) The limitations set out in paragraph (a) hereof shall not apply in relation and to the extent the proceeds of any borrowings under the Notes have been on-lent, or otherwise passed on, to such German Guarantor or any of its Subsidiaries.

(d) The limitation pursuant to these paragraphs shall apply, subject to the following requirements, if following the call of guarantee or other obligations by the the Holders and the Trustee, the relevant German Guarantor notifies the the Holders and the Trustee in writing that a Capital Impairment would occur (a "***Management Notification***") within 30 Business Days upon receipt of the relevant demand. If the the Holders and the Trustee raise any objection against the Management Notification and any such objection is delivered to the relevant German Guarantor within five Business Days after the date of the Management Notification, the relevant German Guarantor undertakes (at its own cost and expense) to arrange for the preparation of a balance sheet by auditors of international standard and reputation in order to have such auditors determine whether (and if so, to what

extent) any payment under the Guarantee would cause a Capital Impairment (the "***Auditor's Determination***"). The Auditor's Determination shall be prepared, taking into account the adjustments set out in sub-paragraph (a)(i) to (iii) above, by applying the generally accepted accounting principles applicable from time to time in Germany (*Grundsätze ordnungsmäßiger Buchführung*) based on the same principles and evaluation methods as constantly applied by the relevant German Guarantor in the preparation of its financial statements, in particular in the preparation of its most recent annual balance sheet, and taking into consideration applicable court rulings of German courts. The relevant German Guarantor shall provide the Auditor's Determination to the Holders and the Trustee within 60 Business Days from the date on which it receives the the Holders' and the Trustee's objection against the Management Notification in writing. The Auditor's Determination shall be binding on the relevant German Guarantor and the Holders and the Trustee.

(e) Regardless of the provisions set out in paragraphs (a) through (d) above, the enforcement of a Payment Obligation shall, at the date hereof and at any time hereafter, be limited to the extent that such enforcement would result in a violation of the prohibition of an intervention threatening the corporate existence of the German Guarantor or, in the case of a German GmbH & Co. KG Guarantor, of its general partner (*existenzvernichtender Eingriff*) as a result of a Liquidity Impairment.

"***Liquidity Impairment***" means that, if the Payment Obligation was enforced, the German Guarantor, or in the case of a German GmbH & Co. KG Guarantor, its general partner, would not be able to fulfil its financial obligations which such German Guarantor, or in the case of a German GmbH & Co. KG Guarantor, its general partner, owes to its creditors and which (i) are due at the time the Enforcement Notice is received by the German Guarantor or (ii) will become due within a period of 30 calendar days following receipt of such Enforcement Notice (the "***Test Period***"). For the purposes of determining whether a Liquidity Impairment occurs all liquid assets, i.e., cash, amounts standing to the credit of bank accounts and securities standing to the credit of securities accounts, of the German Guarantor, or in the case of a German GmbH & Co. KG Guarantor of its general partner, shall be taken into account (including liquid assets the German Guarantor, or in the case of a German GmbH & Co. KG Guarantor its general partner, is due to receive within the Test Period as well as any of its assets that can be realized within the Test Period *provided* that such realization is legally permitted and such asset is not necessary (*nicht betriebsnotwendig*) for the operation of its business).

(f) Regardless of the provisions set out in paragraphs (a) through (d) above, the enforcement of a Payment Obligation shall, at the date hereof and at any time hereafter, be limited to the extent that such enforcement would result in a personal liability (criminal or civil) of any officer of the respective German Guarantor, or in the case of a German GmbH & Co. KG Guarantor, its general partner, or any officer of its respective shareholder.

(g) Any amount received by the the Holders and the Trustee from the relevant German Guarantor under the Guarantee which would be necessary for such German Guarantor to be able to cure any Capital Impairment shall immediately upon demand be returned to such German Guarantor.

Switzerland

Notwithstanding any term or provision of the Notation of Guarantee or any other term or provision of the Indenture or any related agreement, such as the Purchase Agreement and/or the Registration Rights Agreement or the Offering Circular (together the "***Agreements***"), if and to the extent that any Guarantor incorporated or established under the laws of, or for tax purposes resident in, Switzerland or for tax purposes having a permanent establishment in Switzerland with which the Agreements are effectively connected (each, a "***Swiss Guarantor***") is liable pursuant to the Notation of Guarantee and these Agreements for, or with respect to, obligations of the Company, any other Guarantors or any other affiliates (other than its own subsidiaries) (the "***Restricted Obligations***"), such Swiss Guarantor shall (to the extent that such is a requirement of the applicable law in force at the relevant time) only be liable for a sum equal to the maximum amount of its profits available for distribution as dividend at any given time (being the balance sheet profits and any reserves made for this purpose, in each case in accordance with the applicable provisions of the Swiss Code of Obligations), which amount shall be, if and to the extent required by Swiss law and practice at the relevant time, (a) determined on the basis of an audited annual or interim balance sheet of the Swiss Guarantor, (b) approved by the auditors of the Swiss Guarantor as distributable amount, and (c) approved as distribution by a duly convened meeting of the shareholders of the Swiss Guarantor, always *provided*

that such limitation shall not free the relevant Swiss Guarantor from its payment obligations under this Agreement in excess of its distributable profits, but merely postpone the payment date therefore until such times as payment is permitted notwithstanding such limitation.

To the extent required by applicable law and any applicable double taxation treaty in force at the relevant time, in respect of the Restricted Obligations, each Swiss Guarantor shall (A) (a) deduct Swiss withholding tax at the rate of 35% (or such other rate as is applicable) from any payment made by it in respect of the Restricted Obligations, (b) pay any such deduction to the Swiss Federal Tax Administration, and (c) promptly notify (or procure that the Company notifies) the Representative that such a deduction has been made and provide the Representative with evidence that such a deduction has been paid to the Swiss Federal Tax Administration; and (B) to the extent such a deduction is made, not be obliged to gross-up or indemnify (or otherwise hold harmless) the Indemnified Parties in relation to any such deduction and payment made by it to the Swiss Federal Tax Administration if such gross-up or indemnification is illegal or the amount paid to the Swiss Federal Tax Administration plus the amount of the gross-up or indemnification exceeds the maximum amount of the Swiss Guarantor's profits available for distribution as dividend as determined pursuant to the above sub-paragraph.

Subject only to the limitation of the amount to be paid in respect of the Restricted Obligations, each Swiss Guarantor and the Company undertake to take and/or cause all measures necessary or useful to (a) make such payment valid and non-refundable under Swiss corporate law; and (b) implement the forgoing documents and other acts.

Schedule A

Exhibit 5.1

KING & SPALDING

King & Spalding LLP
1l80 Peachtree Street N.E.
Atlanta, Georgia 30309-3521
Phone: 404/ 572-4600
Fax: 404/572-5100
www.kslaw.com

September 11, 2009

Novelis Inc.,
3399 Peachtree Road NE, Suite 1500,
Atlanta, GA 30326

Re: Novelis Inc. — Registration Statement on Form S-4 relating to $185,000,000 aggregate principal amount of 11 1/2% Senior Notes Due 2015

Ladies and Gentlemen:

In connection with the registration under the U.S. Securities Act of 1933 (the "Securities Act") of (a) $185,000,000 principal amount of 11 1/2% Senior Notes due 2015 (the "Notes") of Novelis Inc., a corporation organized under the laws of Canada (the "Company"), to be issued in exchange for the Company's outstanding 11 1/2% Senior Notes due 2015 pursuant to an Indenture, dated as of August 11, 2009 (the "Indenture"), among the Company, the subsidiaries of the Company party thereto (collectively, the "Guarantors") and The Bank of New York Mellon Trust Company, N.A., as trustee, and (b) the Guarantees (the "Guarantees") of each of the Guarantors to be endorsed upon the Notes, we, as legal counsel, have examined such corporate records, certificates and other documents, and such questions of law, as we have considered necessary or appropriate for the purposes of this opinion. In such review we have assumed the genuineness of signatures on all documents submitted to us as originals and the conformity to original documents of all copies submitted to us as certified, conformed or photographic copies.

Upon the basis of such examination, we advise you that, in our opinion, (1) each of Novelis Brand LLC, Novelis South America Holdings LLC, Aluminum Upstream Holdings LLC, each a Delaware limited liability company, Novelis PAE Corporation, a Delaware corporation, Eurofoil Inc. (USA), a New York corporation and Novelis Corporation, a Texas corporation, (collectively the "U.S. Guarantors") has been duly organized and is an existing corporation under the laws of its respective jurisdiction, (2) the Indenture has been duly authorized, executed and delivered by the U.S. Guarantors, (3) the Guarantees have been duly authorized by the U.S. Guarantors, and (4) when the terms of the Notes and the Guarantees and of their issuance have been duly established in conformity with the Indenture and the Notes and Guarantees have been duly executed, authenticated, issued and delivered in accordance with the terms of the Indenture, the Notes will be validly issued and will constitute valid and legally binding obligations of the Guarantors and the Company and the Guarantees will constitute valid and legally binding obligations of the Guarantors, subject, in each case, to bankruptcy, insolvency, fraudulent

transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

This opinion is limited in all respects to the federal laws of the United States of America, the laws of the States of New York and Texas, the General Corporation Law of the State of Delaware and the Delaware Limited Liability Company Act, and no opinion is expressed with respect to the laws of any other jurisdiction or any effect that such laws may have on the opinions expressed herein. This opinion is limited to the matters stated herein, and no opinion is implied or may be inferred beyond the matters expressly stated herein.

We have relied as to certain factual matters on information obtained from public officials, officers of the Company and the Guarantors and other sources believed by us to be responsible, and we have assumed that the Indenture has been duly authorized, executed and delivered by each of the parties thereto (other than the U.S. Guarantors), the Notes have been duly authorized by the Company, the Guarantees have been duly authorized by the Guarantors (other than the U.S. Guarantors) and that the Company and the Guarantors (other than the U.S. Guarantors) have been duly organized and are existing corporations in good standing under the laws of their respective jurisdictions of organizations, assumptions which we have not independently verified. We have also assumed the genuineness of all signatures on the Indenture.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and any reference to us under the heading "Legal Matters" in the prospectus forming a part of the Registration Statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Very truly yours,

/s/ King & Spalding LLP

Exhibit 5.2

[Letterhead of Torys LLP]

September 11, 2009

Novelis Inc.
3399 Peachtree Road, NE, Suite 1500
Atlanta, Georgia 30326

Dear Sirs/Mesdames:

Re: Novelis Inc. — U.S.$185,000,000 principal amount of 11 1/2% Senior Exchange Notes due 2015

We have acted as counsel in Province of Ontario to Novelis Inc. (the "**Company**") and to 4260848 Canada Inc., 4260856 Canada Inc. and Novelis Cast House Technology Ltd. (the "**Canadian Guarantors**") in connection with the registration under the U.S. Securities Act of 1933 (the "**Securities Act**") of (a) $185,000,000 principal amount of 11½% Senior Exchange Notes due 2015 (the **"Exchange Notes**") of the Company to be issued in exchange for the Company's outstanding 11½% Senior Notes due 2015 pursuant to an Indenture, dated as of August 11, 2009 (the "**Indenture**"), among the Company, the subsidiaries of the Company party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee (the "**Trustee**"), and (b) the Guarantees (the "**Exchange Guarantees**") of each of the Canadian Guarantors endorsed upon the Exchange Notes.

In connection with this opinion, we have examined original or copies, certified or otherwise identified to our satisfaction, of the following documents:

(a) an executed copy of the Indenture;

(b) a form of an Exchange Note;

(c) a form of an Exchange Guarantee;

(d) the constating documents and by-laws of each of the Company and the Canadian Guarantors;

(e) powers of attorney of each of the Canadian Guarantors appointing certain attorneys-in-fact to execute the Indenture and related documents and instruments;

(f) the resolution of the board of directors of each of the Company and the Guarantors authorizing, amongst other things, and to the extent applicable, the

execution, delivery and performance of the Indenture, the Exchange Notes and the Exchange Guarantees;

(g) a certificate of compliance dated September 10, 2009 issued pursuant to the CBCA in respect of the Company, 4260848 Canada Inc. and 4260856 Canada Inc.;

(h) a certificate of status dated September 10, 2009 issued pursuant to the *Business Corporations Act* (Ontario) (the "**OBCA**") in respect of Novelis Cast House Technology Ltd.; and

(i) a certificate of an officer of each of the Company and the Canadian Guarantors dated September 11, 2009 (the "**Officer's Certificates**") with respect to certain factual matters, copies of which have been delivered to you.

We have relied exclusively upon the Officer's Certificates referred to above with respect to the accuracy of the factual matters contained therein and we have not performed any independent check or verification of such factual matters.

In our examination of such documents and information, we have assumed with your approval:

1. the genuineness of all signatures, the legal capacity of all individuals, the authenticity and completeness of all documents and instruments submitted to us as originals, the conformity to originals of all documents submitted to us as facsimiles or copies, certified or otherwise, thereof and the authenticity of the originals of such facsimiles or copies;
2. that the Indenture has been duly executed and delivered by each party thereto, other than the Company and each of the Canadian Guarantors.
3. that the Indenture has been duly executed and delivered by the Company and each of the Canadian Guarantors in compliance with the laws of the jurisdiction where execution and delivery actually occurred, if other than Ontario;
4. that the certificates of compliance and the certificate of status referred to above continue to be accurate on the date hereof;
5. that for the purpose of our opinions set forth in paragraph 4 below, we have, with your approval, assumed that at the time of the issuance and delivery of the Exchange Notes and the Exchange Guarantees endorsed thereon, all of the terms of the Exchange Notes and the Exchange Guarantees, and the performance by the Company and the Guarantors of their respective obligations thereunder, will comply with applicable law (other than the law of the Province of Ontario) and with each requirement or restriction imposed by any court or governmental body having jurisdiction over the Company or such Guarantor (other than under the law of the Province of Ontario); and
6. the accuracy and completeness of any other records, certificates or documents examined by us, as well as the accuracy and correctness of all facts set forth or reflected therein.

This opinion is limited to the laws of the Province of Ontario and the federal laws of Canada applicable therein. We have not reviewed, and we express no opinion about, the laws of any other jurisdiction or any effect that such laws may have on the opinions expressed herein.

Based on the foregoing, but subject to the qualifications set forth herein, we are of the opinion that:

1. The Company is a corporation incorporated and existing under the CBCA and has the corporate power and authority to enter into and perform its obligations under the Indenture and the Exchange Notes. The Indenture has been duly authorized, executed and delivered by the Company.
2. Each of 4260848 Canada Inc. and 4260856 Canada Inc. is a corporation incorporated and existing under the CBCA and has the corporate power and authority to enter into and perform its obligations under the Indenture and the Exchange Guarantees. The Indenture has been duly authorized, executed and delivered by 4260848 Canada Inc. and 4260856 Canada Inc.
3. Novelis Cast House Technology Ltd. is a corporation incorporated and existing under the OBCA and has the corporate power and authority to enter into and perform its obligations under the Indenture and the Exchange Guarantees. The Indenture has been duly authorized, executed and delivered by Novelis Cast House Technology Ltd.
4. The execution, delivery and performance of the Indenture, the Exchange Notes and the Exchange Guarantees by the Company and the Canadian Guarantors (as applicable) will not result in a breach or violation of any of the terms and provisions of (i) the articles, by-laws or similar organizational documents of the Company or the Canadian Guarantors (ii) any law, statute, rule or regulation of general application in the Province of Ontario or any federal laws of Canada applicable therein to which the Company or a Canadian Guarantor is subject, or (iii) to the best of our knowledge, any order or decree applicable to the Company or the Canadian Guarantors of any court acting pursuant to the laws of the Province of Ontario or the federal laws of Canada applicable therein, except in the case of clause (ii), for such breaches or violations as would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the Company and its subsidiaries take as a whole.

Whenever an opinion set forth herein with respect to the existence or absence of facts is qualified by the phrase “to the best of our knowledge” or “to our knowledge”, it is intended to indicate that during the course of our representation of the Company and Canadian Guarantors in connection with the transactions described in the initial paragraph of this opinion and as a result of receiving and reviewing the certificates of officers of the Company and Canadian Guarantors, no information has come to the attention of any of the lawyers involved in those transactions that has given any of those lawyers actual knowledge of the existence or absence of such facts.

We hereby consent to the filing of this opinion as an exhibit to the registration statement and any reference to us under the heading “Legal Matters” in the prospectus forming a part of the registration statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Yours truly,

/s/ Torys LLP

Exhibit 5.3

[Letterhead of Lavery de Billy L.L.P.]

September 11, 2009

Novelis Inc.
3399 Peachtree Road NE
Suite 1500
Atlanta, Georgia 30326

Dear Sirs/Mesdames:

Re: Novelis Inc.
Offering of 11 1/2% Senior Notes Due 2015

We have acted as special counsel in the Province of Québec to Novelis No. 1 Limited Partnership ("**Novelis LP**") in connection with the registration under the U.S. Securities Act of 1933 (the "**Securities Act**") of (a) $185,000,000 principal amount of 11 1/2% Senior Notes due 2015 (the "**Notes**") of Novelis Inc. (the "**Company**"), a corporation organized under the laws of Canada, to be issued in exchange for the Company's outstanding 11 1/2% Senior Notes due 2015 pursuant to an Indenture, dated as of August 11, 2009 (the "**Indenture**"), among the Company, the subsidiaries of the Company party thereto (collectively, the "**Guarantors**") and The Bank of New York Mellon Trust Company, N.A., as trustee (the "**Trustee**"), and (b) the Guarantees (the "**Guarantees**") of each of the Guarantors endorsed upon the Notes.

A. DOCUMENTATION AND SCOPE EXAMINATION

For the purpose of this opinion, we have examined originals or copies, certified or otherwise identified to our satisfaction of:

(a) the Indenture;

(b) the Guarantees;

(c) the limited partnership agreement dated as of May 7, 2007 of Novelis LP between 4260848 Canada Inc. ("**4260848**"), in its capacity as general partner and the Company, in its capacity as limited partner, as amended on May 14, 2007 (the "**Partnership Agreement**");

(d) a certificate dated as of September 11, 2009 (the "**Certificate of Attestation**") issued pursuant to *An Act respecting the legal publicity of sole proprietorships, partnerships and legal persons* (Quebec) relating to Novelis LP;

(e) a certificate dated as of September 11, 2009 of an officer of 4260848, in its capacity as general partner of Novelis LP (the "**Officer's Certificate**"); and

(f) the resolutions of the board of directors of 4260848 dated as of June 25, 2009, in its capacity as general partner and on behalf of Novelis LP, approving and authorizing, among others things, the execution and delivery of the Indenture and the execution and issue of the Guarantees (the "**Resolutions**").

We have not reviewed nor have we assisted in the preparation of, nor have we reviewed any other agreements in connection with the above noted transaction and no opinion is expressed as to the accuracy, completeness or fairness of such other agreements.

B. JURISDICTION

We are solicitors qualified to practice law in the Province of Quebec, and we have made no investigation under, and our opinion does not extend to, the laws of any jurisdiction other than the laws of the Province of Quebec and the federal laws of Canada applicable therein. The opinions hereinafter expressed are based upon legislation in effect on the date hereof. We assume no obligation to revise or supplement this opinion should present laws be changed by legislative action, judicial decision or otherwise.

C. ASSUMPTIONS AND RELIANCES

We have relied as to certain factual matters on information obtained from public officials, officers of the Company and the Guarantors and other sources believed by us to be responsible, and we have assumed that the Indenture has been duly authorized, executed and delivered by each of the parties thereto (except Novelis LP), the Notes have been duly authorized by the Company, the Guarantees have been duly authorized by the Guarantors (except Novelis LP) and that the Company and the Guarantors (except Novelis LP) have been duly organized and are existing corporations in good standing under the laws of their respective jurisdictions of organizations, assumptions which we have not independently verified.

For the purpose of the opinion set forth in paragraph 1 hereof, we have relied solely upon the Certificate of Attestation.

In rendering the opinions expressed in paragraphs 2 and 3 hereto, we have relied solely upon the Resolutions and the Officer's Certificate.

D. OPINIONS

Based and subject to the foregoing and subject to the qualifications set out below, it is our opinion that:

1) Novelis LP has been registered and has not been dissolved under *An Act respecting the legal publicity of sole proprietorship, partnerships and legal persons* (Québec).

2) The Indenture has been duly authorized, executed and delivered by 4260848 in its capacity as general partner of Novelis LP.

3) The Guarantees have been duly authorized by 4260848, in its capacity as general partner of Novelis LP.

4) As to the validity of the Indenture and the Guarantees (the "**Documents**"), we advise you that subject to public order as understood in international relations, the choice of the laws of the State of New York to govern the Documents will be upheld as a valid choice of law and, if specifically pleaded and proved, applied by the courts of competent jurisdiction in the Province of Québec, except with respect to characterization of property, which will be made according to the laws of the jurisdiction where the property is situated, and procedure, which will be governed by the laws of the court seized of the matter.

5) A court of competent jurisdiction in the Province of Québec may decline jurisdiction in any action brought upon the Documents on the basis that another court of another jurisdiction is in a better position to decide on the dispute.

   Pursuant to the Civil Code of Québec (the "**Civil Code**"), where legitimate and manifestly preponderant interests so require, a court of competent jurisdiction in the Province of Québec may give effect to mandatory provisions of the laws of another jurisdiction where the matter which such court is seized of is closely connected with such other jurisdiction. In deciding whether to do so, such court will consider the purposes of such provisions and the consequences of their application or if legal proceedings, between the same parties, based on the same facts and having the same object are pending in a foreign jurisdiction, provided that such legal proceedings could result in a decision which might be recognized in the Province of Québec, or if such decision has already been rendered in such a foreign jurisdiction.

6) The courts of Québec will recognize and, where applicable, declare enforceable any judgment rendered by the courts of a foreign jurisdiction in connection with any action arising out of the Documents, except in the following cases:

   (a) the motion or application to enforce such judgment is not made in the Province of Québec within ten (10) years after the date of such judgment;

(b) the foreign judgment is subject to ordinary remedy or is not final or enforceable in the jurisdiction where it was rendered;

(c) the foreign judgment was rendered in contravention of the fundamental principles of procedure as understood under the laws of Québec;

(d) a dispute between the same parties, based on the same facts and having the same object has given rise to a judgment rendered in Québec, whether it has acquired the authority of a final judgment or not, or is pending before a Québec authority, in first instance or has been decided in a third jurisdiction and the judgment meets the necessary conditions for recognition in Québec;

(e) the outcome of the foreign judgment is manifestly inconsistent with public order as understood in international relations;

(f) the foreign judgment enforces obligations arising from the taxation laws of a country which does not recognize and enforce the obligations resulting from Québec taxation laws or grants relief in the nature of injunction or specific performance, or the foreign judgment enforces penal or expropriation proceedings or measures;

(g) the foreign judgment is contrary to any order made by the Attorney General of Canada under the *Foreign Extraterritorial Measures Act* (Canada) or by the Competitions Tribunal under the *Competition Act* (Canada) in respect of certain judgments under foreign antitrust laws;

(h) any service of process on an agent for service of process does not constitute legal service of process under the laws of the jurisdiction where the judgment was rendered; and

(i) the defendant or respondent proves before the courts of Québec that, owing to the circumstances, it was unable to learn of the existence of the proceedings or was not given sufficient time to offer its defence.

7) Subject to paragraphs 6(a) to 6(i) above, the courts of Québec will recognize and, where applicable, declare enforceable in Québec any foreign judgment, without entering into any examination of the merits of the foreign judgment.

8) Subject to the above, if the foreign judgment is rendered by default, it will be enforceable if the plaintiff proves that the legal proceedings giving rise to the foreign judgment were duly served on the defendant or respondent in accordance with laws of the jurisdiction where the foreign judgment was rendered**.**

In any motion or application made before a court of competent jurisdiction in the Province of Québec to enforce such judgment, the Québec court will confine itself to verifying whether the judgment in respect of which recognition or enforcement is sought meets the foregoing requirements set out above, without entering into any examination of the merits of such judgment.

E. QUALIFICATIONS

This opinion is subject to the following qualifications:

1) The validity, binding nature or enforceability of the Documents or any judgement arising out of or in connection therewith may be limited by applicable bankruptcy, insolvency, winding-up, reorganization, moratorium, prescription or other laws of general application, affecting creditors' rights from time to time in effect.

2) The enforceability of certain provisions of the Documents relating to enforcement and realization proceedings and remedies, may be limited by the provisions of the Civil Code. However, such limitations should not make the remedies intended to be provided by a hypothec inadequate for the practical realization of the benefits intended to be provided thereby if the holders thereof act in good faith and in a commercially reasonable manner.

3) The ability to recover or claim certain costs, fines, penalties or expenses may be subject to judicial discretion of the courts of Québec. Furthermore, a Court of Québec may refuse to enforce a clause obligating the debtor in the event of default to pay the fees and costs of the creditor's attorney; such court may limit any condemnation, if at all, of such debtor to pay such fees and costs as are taxed pursuant to the tariff of judicial fees in force in Québec at the time of such condemnation. We express no opinion with respect to any provisions of the Documents which purport (a) to enable the Trustee to recover any fines, penalties or costs levied against or imposed upon such other party by applicable law or by order of a court or (b) to waive the rights of any party under any legislation which precludes such waiver.

4) The obligation of the parties to the Documents and the enforceability thereof are subject to the following:

   (a) equitable remedies such as specific performance and injunctive relief which may be ordered by a court in its discretion and accordingly may not be available as a remedy in an action brought to enforce such documents;

(b) the provisions of the Documents purporting to impose an obligation on any of the parties thereto, the extent of which is only determinable at the sole discretion of any other party thereto, may not be enforceable;

(c) the powers of the courts to stay proceedings before them and to stay the execution of judgements;

(d) the *Currency Act* (Canada) pursuant to which a Court in Canada will render judgement only in lawful money of Canada;

(e) the discretion that a Court may reserve to itself to decline to hear an action if it is contrary to public policy for it to do so or if it is not the proper forum to hear such action;

(f) the validity, binding nature or enforceability of any of the provisions of the Documents pursuant to which Novelis LP purports to waive any legal rights of public order;

(g) limitations which may be imposed by law on the effectiveness of terms exculpating a party from a liability resulting from intentional or gross fault;

(h) the discretion that a court may reserve to itself to impose restrictions on the rights of creditors to enforce immediate payment of amounts stated to be payable on demand and to decline to be bound by determinations of fact stated to be conclusive by the contracting parties; and

(i) limitations upon the right of a party to the Documents to enforce such document on the basis of a purely technical default, such as the failure to timely produce a document.

5) The enforceability of the Documents is subject to the obligation of the parties thereto to act at all times in good faith. Such parties may not exercise their rights with the intent of injuring another. We express no opinion as to any particular equitable remedy that may be granted, imposed or rendered by the courts of Québec, including remedies such as specific performance and injunction. Under the laws of the Province of Québec, the courts of Québec may among other things:

(a) not allow a creditor to accelerate payment of the balance of a debt upon the occurrence of a default deemed immaterial by the court; or

(b) may decline to order the debtor to perform covenants other than payment covenant.

6) We express no opinion with respect to the restrictions on interest rates imposed by the *Criminal Code* (Canada) and the *Interest Act* (Canada).

7) We express no opinion as to the legality, validity, binding nature or enforceability of any provision of the Documents which suggests or provides that a party thereto shall be bound by any obligation which is not embodied in the Documents.

8) We express no opinion with respect to the effect or the validity, binding nature or enforceability of those provisions of the Documents which purport to allow the severance of invalid, illegal or unenforceable provisions or restricting their effect.

This opinion is provided to the sole benefit of the addressees for the purpose set forth above and may not be relied upon by any other person or for any other person without our prior express written consent. We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and any reference to us under the heading "Legal Matters" in the prospectus forming a part of the Registration Statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Yours truly,

/s/ Lavery, de Billy, L.L.P.

[Letterhead of Macfarlanes LLP]

Novelis Inc.
3399 Peachtree Road NE
Suite 1500
Atlanta
Georgia 30326
USA

11 September 2009

Our ref: WXS/612177

Dear Sirs

US$185,000,000 guaranteed senior notes due 2015 (the "Notes") to be issued by Novelis Inc. pursuant to an indenture (the "Indenture") dated as of 11 August 2009 made between (amongst others) Novelis Inc., the English Guarantors (as defined below) and The Bank of New York Mellon Trust Company, N.A. as trustee in exchange for Novelis Inc.'s outstanding US$185,000,000 guaranteed senior notes due 2015.

1 **Introduction**

In our capacity as English legal advisers to Novelis UK Ltd, Novelis Europe Holdings Limited and Novelis Services Limited (the "**English Guarantors**"), we have been asked by you to give this opinion letter in connection with the registration under the U.S. Securities Act of 1933 (the "**Securities Act**") of the Notes on a registration statement on Form S-4 (the "**Registration Statement**") and we have taken instructions in this regard solely from the English Guarantors.

2 **Documents examined**

For the purpose of giving the opinions in this letter we have examined the following documents:

2.1 a copy of the Indenture executed by, amongst others, each of the English Guarantors;

2.2 a draft of an agreed form of notation endorsed on and forming part of each Exchange Security, to be executed by each English Guarantor (the "**Exchange Note Notation**");

2.3 copies of powers of attorneys each dated 27 July 2009 (the "**Powers of Attorney**") executed by each of the English Guarantors.

3 **Definitions**

In this letter:

"**Exchange Documents**" means the Indenture and the Exchange Note Notation;

"**Exchange Securities**" has the meaning given to that term in the Registration Rights Agreement; and

"**Guarantees**" means the guarantees of the Notes contained in the Indenture.

4 **Documents, searches and enquiries**

For the purpose of giving the opinions in this letter, we have reviewed only the documents and undertaken only the searches and enquiries referred to in schedule 1 (*Documents, Searches and Enquiries*).

5 **Assumptions and reservations**

The opinions given in this letter are given on the basis of the assumptions set out in schedule 2 (*Assumptions*) and are subject to the qualifications and reservations set out in schedule 3 (*Reservations*).

6 **Opinions**

We are of the opinion that:

6.1 **Corporate existence and authority**

6.1.1 Each English Guarantor is duly incorporated and validly existing under the laws of England and Wales.

6.1.2 Each English Guarantor has the corporate power and capacity to execute the Exchange Documents to which it is a party and to exercise its rights and perform the obligations expressed to be undertaken by it under those Exchange Documents.

6.1.3 All necessary corporate action on the part of each English Guarantor has been taken to authorise its execution of the Exchange Documents to which it is a party and its performance of the obligations expressed to be undertaken by it under those Exchange Documents.

6.1.4 The execution, delivery and performance by each English Guarantor of the Exchange Documents to which it is a party do not conflict with (i) the memorandum and articles of association of each English Guarantor currently in force, or (ii) any English law, statute, rule, regulation, order or decree currently in force and applicable to companies generally.

6.1.5 The Indenture has been validly executed by each English Guarantor party thereto.

6.2 **Further acts**

No authorisation, approval, consent, licence or exemption is required from any governmental, judicial or regulatory body or authority in England in connection with the execution and delivery by the English Guarantors of the Exchange Documents or the performance by each English Guarantor of its obligations thereunder.

6.3 **Governing law and jurisdiction**

6.3.1 If the English courts had jurisdiction to hear an action in respect of the Exchange Documents then the English courts would give effect to the choice of the laws of the State of New York as the governing law of the Exchange Documents for enforcement proceedings against the English Guarantors provided that such choice of law was made on a bona fide basis and there are no reasons for avoiding the choice of law on grounds of public policy.

6.3.2 The submission to the jurisdiction of the courts of the State of New York by each English Guarantor in the Exchange Documents is within the corporate powers of each English Guarantor and does not contravene any law of England and Wales.

6.4 **Enforcement of judgments**

6.4.1 A judgment obtained against an English Guarantor from a competent court in the State of New York on the Exchange Documents will not be directly enforceable in England and Wales but, provided that:

6.4.1.1 the court in which such judgment was given had jurisdiction;

6.4.1.2 the judgment was final and conclusive;

6.4.1.3 the judgment was for a fixed sum and not directly or indirectly in respect of penal laws, taxes, fines, penalties or multiple (punitive) damages nor based on a public law of a foreign state;

6.4.1.4 the judgment was not obtained in a manner contrary to the rules of natural justice or by fraud; and

6.4.1.5 the judgment is not otherwise contrary to English public policy,

the claimant may be able to obtain summary judgment in a new action in England and Wales on the grounds that the relevant English Guarantor has no defence to the claim.

7 **English law opinion**

This letter and the opinions given in it are governed by English law. The opinions given in this letter are limited to English law as applied by the English courts as at the date of this letter and we have made no investigation of, and express no opinion as to, the laws of any

jurisdiction other than those of England and Wales. The opinions given in this letter are strictly limited to the matters stated in paragraph 6 (*Opinions*) and do not extend to any other matters or to any matters of fact.

8 **Reliance**

This letter is provided in connection with the Notes. Except as expressly provided below this letter may be relied on solely by its addressees and may not be relied on by, or disclosed to, any other person without our prior written consent.

This opinion may also be disclosed (a) to any professional adviser or (b) as required by law or regulation, provided in each case that the recipients are not entitled to rely on this opinion and we do not accept any duty of care to them.

We also hereby consent to the filing of this opinion as an exhibit to the Registration Statement and any reference to us under the heading "Legal matters" in the prospectus forming a part of the Registration Statement. In giving such consent we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Yours faithfully

/s/ Macfarlanes LLP

SCHEDULE 1
Documents, Searches and Enquiries

1 For the purpose of giving the opinions in this letter, we have reviewed only the following documents:

1.1 drafts, copies or originals (as indicated in paragraph 2 of this letter) of the Exchange Documents;

1.2 a copy, certified as true, complete and up-to-date as at 11 September 2009 by the secretary of the relevant English Guarantor, of the certificate of incorporation, certificates of incorporation on change of name and memorandum and articles of association of each English Guarantor;

1.3 a copy, certified as true, complete and still in force as at 11 September 2009 by the secretary of the relevant English Guarantor, of the minutes of a meeting of the board of directors of each English Guarantor held on 30 June 2009;

1.4 a copy, certified as true, complete and still in force as at 11 September 2009 by the secretary of the relevant English Guarantor, of a shareholder resolution passed by written resolution of each English Guarantor on 30 June 2009; and

1.5 a copy of a certificate of the secretary of each English Guarantor setting out, inter alia, the names and signatures of the persons authorised at the meeting referred to in paragraph 1.3 of this schedule to sign the Exchange Documents;

2 For the purpose of giving the opinions in this letter, we have undertaken only the following searches and enquiries:

2.1 a search of Companies House Direct, the on-line English company information service, in respect of each English Guarantor undertaken on 11 September 2009; and

2.2 a telephone enquiry of the Central Registry of Winding-up Petitions in respect of each English Guarantor undertaken on 11 September 2009.

SCHEDULE 2
Assumptions

The opinions given in this letter are given on the basis of the following assumptions:

1 **Documentation**

1.1 The genuineness of all signatures, stamps and seals on documents, the conformity to the originals of all documents supplied to us as copies and the authenticity and completeness of all documents supplied to us.

1.2 All statements set out in each document referred to in schedule 1 (*Documents, Searches and Enquiries*) are accurate and complete.

1.3 The Exchange Documents accurately record all the terms agreed between the parties thereto in relation to their subject matter, none of the Exchange Documents have been terminated, modified, superseded or varied and no obligation thereunder has been waived, and there is no other agreement or arrangement between the parties which contradicts or is inconsistent with the terms of any of the Exchange Documents.

1.4 All copies certified and all documents dated earlier than the date of this letter on which we have expressed reliance remain accurate, complete and in full force and effect at the date of this letter.

1.5 The Indenture contains the Guarantee to be given by, among others, the English Guarantors, which Guarantee will extend to and form part of the Exchange Securities and no additional or replacement indenture or other agreement will be required to be executed in relation to the Exchange Securities, and the Exchange Note Notation is only evidence for that Guarantee.

1.6 The Exchange Note Notation as executed will not differ in form or content from the draft examined by us as described in paragraph 2 (*Documents Examined*) of this letter.

2 **Searches**

2.1 The information provided to us pursuant to the search referred to in paragraph 2.1 of schedule 1 (*Documents, Searches and Enquiries*) was complete, accurate and up-to-date at the time of that search and since that time there has been no change in (i) the memorandum or articles of association of any English Guarantor or (ii) the status or condition of any English Guarantor, in either case, as represented by that information.

2.2 The responses given to us to the enquiries referred to in paragraph 2.2 of schedule 1 (*Documents, Searches and Enquiries*) were complete, accurate and up-to-date at the time of those enquiries and since that time there has been no alteration in the status or condition of any English Guarantor as represented by those responses.

3 **Insolvency**

3.1 No English Guarantor (i) is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 at the time of its entry into the Exchange Documents and (ii) will as a consequence of such entry be unable to pay its debts within the meaning of that section.

3.2 While the searches carried out by us referred to in paragraphs 2.1 and 2.2 of Schedule 1 (*Documents, Searches and Enquiries*) above showed that in respect of each English Guarantor, as at the date of the searches (i) no voluntary winding-up resolution has been passed, (ii) no petition has been presented to or order made by a court for its winding-up or dissolution or for the appointment of an administrator and (iii) no receiver, administrative receiver or administrator has been appointed, as a matter of English law and practice such searches are not conclusive evidence that such actions or substantially similar actions in any other jurisdiction have not been taken.

4 **Parties**

4.1 Each of the parties to the Exchange Documents (other than the English Guarantors) has full corporate capacity, right, power and authority to enter into the Exchange Documents to which it is a party and to exercise its rights and perform its obligations under them, and each of the Exchange Documents has been validly authorised, executed and delivered by each of the parties to it (other than the English Guarantors).

4.2 Under the laws of the State of New York each of the Exchange Documents constitute(s) legal, valid, binding and enforceable obligations of each of the parties thereto, including the English Guarantors.

4.3 None of the parties to the Exchange Documents (i) is subject to a court injunction or order which affects its performance of its obligations under the Exchange Documents or (ii) has entered into the Exchange Documents under duress, as a result of undue influence or as a mistake or (iii) has entered into the Exchange Documents in connection with money laundering or any other unlawful activity.

5 **Corporate authority**

5.1 The resolutions set out in the minutes referred to in paragraph 1.3 of schedule 1 (*Documents, Searches and Enquiries*) (i) were duly passed at a validly convened, duly held and quorate meeting of duly appointed directors of each English Guarantor and (ii) have not been amended, revoked, superseded or rescinded and are in full force and effect.

5.2 The shareholder resolutions referred to in paragraph 1.4 of schedule 1 (*Documents, Searches and Enquiries*) (i) were duly passed as ordinary resolutions of each English Guarantor and (ii) have not been amended, revoked, superseded or rescinded and are in full force and effect.

5.3 The Indenture has been executed on behalf of each English Guarantor by the person(s) authorised by the resolutions in the minutes referred to in paragraph 1.3 of schedule 1 (*Documents, Searches and Enquiries*).

5.4 Each of the Exchange Documents has been (or in relation to the Exchange Note Notation, will be) entered into on arm's length terms by the parties thereto and, in the case of the English Guarantors, for bona fide commercial reasons.

5.5 Each of the parties to the Exchange Documents (other than the English Guarantors) is dealing with the English Guarantors in good faith and has no knowledge of any irregularity in the corporate procedure followed by the English Guarantors or its directors (including, without limitation, any exceeding of the powers of, or any limitation imposed on, the English Guarantors or their directors or any breach by such directors of their legal duties).

5.6 Each English Guarantor has net assets which are not reduced by its entry into the Exchange Documents (or, if they are reduced, each English Guarantor has distributable profits at least equal to the amount of the reduction).

6 **Other laws**

There are no provisions of the laws of any jurisdiction outside England and Wales which would have any implication for the opinions we give in this letter.

SCHEDULE 3
Reservations

The opinions given in this letter are subject to the following qualifications and reservations:

1 **Insolvency etc laws**

The opinions in this letter are subject to all laws relating to winding-up, administration, bankruptcy, insolvency, liquidation, reorganisation or moratorium and similar laws affecting creditors' rights generally, and we express no opinion on such laws or their effect.

2 **Effectiveness**

We express no opinion on the effectiveness or enforceability of any of the provisions of the Exchange Documents, since they are governed by the laws of the State of New York.

3 **Searches**

3.1 The search referred to in paragraph 2.1 of schedule 1 (*Documents, Searches and Enquiries*) is not conclusively capable of revealing whether or not certain events have occurred, including the commencement of winding-up or the making of an administration order or the appointment of a receiver, administrative receiver, administrator or liquidator, as notice of these matters may not be filed with the Registrar of Companies immediately and, when filed, may not be entered on the register of the relevant company immediately.

3.2 The enquiries referred to in paragraph 2.2 of schedule 1 (*Documents, Searches and Enquiries*) relate only to any compulsory winding-up during the period of six months prior to the date the relevant enquiry was made. The enquiries are not conclusively capable of revealing whether or not a winding-up petition in respect of a compulsory winding-up has been presented since details of such a petition may not have been entered on the records of the Central Registry immediately or, in the case of a petition presented to a County Court, may not have been notified to the Central Registry and entered on such records at all.

4 **Miscellaneous**

4.1 An English court will not necessarily grant any remedy the availability of which is subject to equitable considerations or which is otherwise in the discretion of the court; in particular, orders for specific performance and injunctions are, in general, discretionary remedies under English law and neither remedy is ordinarily available where damages are considered by the court to be an adequate alternative remedy.

4.2 A claim may become barred under the Limitation Acts or may be or become subject to a defence of set-off or to counterclaim.

4.3 An English court has power to stay an action where it is shown that there is some other forum, having competent jurisdiction, which is more appropriate for the trial of the action, in other words in which the case can be tried more suitably for the interests of all the parties and the ends of justice, or where staying the action is not inconsistent with the EU Council Regulation no 44/2001 on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters as applied by virtue of the Civil Jurisdiction and Judgments Order 2001.

4.4 An English court may in its discretion render a judgment for a monetary amount in a currency other than sterling if it considers that such other currency most fairly expresses the plaintiff's loss, but the judgment may require conversion into sterling for enforcement purposes.

4.5 In any action brought in the English courts English law as to matters of evidence and procedure would be applied.

4.6 The choice of a particular jurisdiction's law to govern an agreement will not displace mandatory rules of law applicable in another jurisdiction with which the relevant transaction is otherwise solely connected or in which any dispute with respect to the agreement is being adjudicated.

4.7 We express no opinion as to whether any instrument which assigns, novates or transfers any right or interest under any Exchange Document is subject to United Kingdom stamp duty.

4.8 Obligations owed to any person incorporated under the laws of, resident in or connected with (or controlled by any person that is so incorporated, connected or resident) any country subject to United Nations, European Union or United Kingdom sanctions may be void or unenforceable.

Exhibit 5.5

ELVINGER DESSOY DENNEWALD
ETUDE D'AVOCATS — LAW FIRM

Maria Dennewald
Victor Elvinger
Catherine Dessoy
Hervé Michel
Serge Marx
Ronnen Gaito*
Véronique Wiot
Sévrine Silvestro

Avocats à la Cour

Novelis Inc.
3399 Peachtree Road, NE, Suite 1500
Atlanta, Georgia 30326

"**Addressee**"

Luxembourg, 11 September, 2009.

Ladies and Gentlenmen,

We have acted as Luxembourg counsel to Novelis Luxembourg S.A. (the "**Company**") in connection with the Company acting as a guarantor (the "**Transaction**") for its parent, Novelis Inc., a corporation organized under the laws of Canada (the "**Issuer**"), in connection with the registration under the U.S. Securities Act of 1933 (the "**Securities Act**") of (a) $185,000,000 principal amount of 11½% Senior Notes due 2015 (the "**Notes**") to be issued in exchange for the Issuer's outstanding 11½% Senior Notes due 2015 pursuant to an Indenture, dated as of August 11, 2009 (the "I**ndenture**"), among the Issuer, the subsidiaries of the Issuer (collectively, the "**Guarantors**") and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), and (b) the Guarantees (the "**Guarantees**") of each of the Guarantors endorsed upon the Notes. We, as legal counsel, have examined such corporate records, certificates and other documents, and such questions of law, as we have considered necessary or appropriate for the purposes of this opinion.

In relation to the said Transaction, we have been asked to provide this legal opinion to you with regard to the laws of Luxembourg and in respect to matters stated herein.

Unless otherwise defined herein terms defined in the Transaction Documents (defined below) are used as defined therein.

We are qualified to practice law in Luxembourg and express no opinion as to any laws other than the laws of Luxembourg or provide such opinions only to the extent that they relate to the Company.

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* Solicitor, England & Wales / Attorney-at-law (NY)

In connection with this opinion, we have examined the following documents (being executed copies of originals):

(a) Indenture dated as of 11 August, 2009 among (1) the Issuer, (2) the Guarantors and (3) The Bank of New York Mellon Trust Company, N.A. as trustee (the "**Indenture**");

(b) The form of notation of exchange guarantee as provided to us on 26 August, 2009 (the "**Guarantee**");

Documents (a) to (b) are referred to as (the "**Transaction Documents**"),

(c) Updated and coordinated version of the articles of association of the Company dated as of 29 January, 2009 (the "**Articles**");

(d) An excerpt of the Luxembourg "Registre de Commerce et des Sociétés" as of 9 September, 2009 (the "**Excerpt of the Trade Register**");

(e) Certificate of non-bankruptcy dated as of 8 September, 2009 (the "**Certificate of Non-Bankruptcy**");

(f) Power of attorney dated as of 2 July, 2009;

(g) Officers' Certificate dated as of 11 August, 2009;

(h) Directors' Certificate dated as of 11 August, 2009; and

(i) Board of directors' resolutions dated as of 2 July, 2009.

Documents (a) to (i) being collectively referred to as the ("**Examined Documents**")

We also have examined duplicates or certified or conformed copies of such records, agreements, instruments and other documents and have made such other investigations as we have deemed relevant and necessary in connection with the opinions expressed herein. Our investigations did not include the review of any other documents other than the Examined Documents.

We have relied as to certain factual matters on information obtained from public officials, officers of the Company and other sources believed by us to be responsible, and we have assumed that the Indenture has been duly authorized, executed and delivered by each of the parties thereto (other than the Company), the Notes have been duly authorized by the Issuer and the Guarantee has been duly authorized by the Issuer and the Guarantors (other than the Company).

We also have conducted a search against the Company at the Trade Registry of Luxembourg on 2 September, 2009 and made an enquiry on 1 September, 2009 at the clerk's office of the Luxembourg District Court (sitting in commercial matters) as to the existence of a request for liquidation or a potential bankruptcy declaration in respect of the Company.

I. Scope of the legal opinion

a) This legal opinion is strictly confined to the specific matters of Luxembourg law and has been prepared without considering the implications of any laws of any jurisdictions other than Luxembourg and, accordingly, we express no opinion with regard to any systems of law other than the laws of Luxembourg.

b) This legal opinion is strictly and exclusively limited to the matters stated herein and may not be read as extending by implication to any matters not specifically referred to. Where an assumption is stated to be made in this legal opinion, we have not made an investigation with respect to the matters that are the subject of such assumption.

c) We have, for the purpose of this legal opinion, solely examined the Examined Documents. In particular, without however limitation, we have not examined or reviewed the documents or agreements mentioned or referred to in the Examined Documents (except when the latter are other Examined Documents).

d) We have not examined and express therein no opinion on any matter relating to any contractual obligation, by which the Company may be bound and which may result from any contract, agreement, deed, undertaking or document other than in relation to or any matter in connection with any contract, agreement, deed, undertaking or other document of a contractual or legal nature which is simply referred to in the Examined Documents. Therefore, we have not referred to or relied upon any documentation other than the Examined Documents and have not made any other inquiries or investigations other than those matters upon which we opine.

e) The declarations made in this legal opinion are stated and are only valid as of the date hereof.

f) We shall have no duty to inform the Addressee of any changes in Luxembourg law, in the legal status of the Company or any other circumstance, occurring after the date of this legal opinion and which affect the matters addressed herein.

g) We are not responsible for (a) investigating and verifying the accuracy of the statements of fact and the reasonableness of (i) any statements of opinion, (ii) intention and (iii) representations and warranties (or any other terms and conditions), in each case, contained in the Examined Documents (except with respect to such representations and warranties to which our opinion in paragraph III below relates) (b) verifying that no material facts or contractual provisions have been omitted therefrom and (c) verifying whether the parties thereto (which, for the avoidance of doubt, includes the Company) or any of them have complied, or will comply with them and with the terms and conditions of any obligations binding upon them.

h) In this legal opinion, unless otherwise specified, the terms “law”, “Laws” “legislation” and “regulation” and all other similar terms refer to all laws and regulations that are applicable within the territory of Luxembourg.

II. Assumptions

In rendering this legal opinion, we have, without verification or other enquiry, assumed:

a) The genuineness of all signatures, the authenticity, completeness and accuracy of all the Transaction Documents as originals, and the conformity with original documents of all Transaction Documents submitted to us as copies or facsimile copies hereof.

b) That the persons who purported to sign the Examined Documents (other than the Transaction Documents) have effectively signed them.

c) The legal capacity of the individuals who have executed any of the Transaction Documents (either on their behalf or as representative of another person or entity).

d) That none of the Examined Documents has been amended, supplemented, replaced or varied, nor has been revoked as at the date hereof.

e) That each of the parties to the Transaction Documents (other than the Company) is a validly existing entity with the capacity and power and authority to enter into, execute, deliver and perform each of the Transaction Documents to which it is a party and all obligations thereunder, in compliance with all requisite corporate action.

f) That all the necessary corporate and other actions have been taken in order to allow each of the parties to the Transaction Documents (other than the Company) to validly execute and deliver the Transaction Documents to which it is a party and to perform its respective obligations thereunder.

g) That the Transaction Documents have been validly executed and delivered by the parties thereto (other than the Company).

h) That any consents, approvals, registrations, licenses or other actions by or with any governmental authority required to be obtained or made by the parties to the Transaction Documents (other than the Company) in any jurisdiction (other than Luxembourg) in order to execute, deliver or perform the Transaction Documents has been or will be obtained or made at the appropriate times.

i) That the manner of execution of the Transaction Documents is valid and effective under their respective governing laws, and under any other law which may have been applicable according to the place of execution (other than the laws of Luxembourg).

j) That the obligations created under or pursuant to the Transaction Documents constitute legal, valid, binding obligations of each of the parties thereto (other than the Company) against the respective parties thereto in accordance with their terms, under all applicable laws (other than the laws of Luxembourg), and in particular, without however limitation, under their respective governing laws.

k) That each of the parties to the Transaction Documents (other than the Company) is not or will not be, by reason of the execution of the transactions contemplated by the Transaction Documents, in breach of any of its obligations under any previous contractual arrangements to which it is a party.

l) All contractual obligations created under or pursuant to the Transaction Documents are executed and will be performed in good faith by the parties thereto (which, for the avoidance of doubt, includes the Company) and without committing any fraud or cheating.

m) That since the date of issuance by the registry clerk of the Luxembourg Commercial Court (le greffier du Tribunal de Commerce de Luxembourg) of the Certificate of Non-Bankruptcy, the Company has not been granted a suspension of payments or declared bankrupt or been subject to any similar procedure (which includes, without however limitation, controlled management (gestion contrôlée), moratorium of payments (sursis de paiement) and composition (concordat préventif de faillite) procedures) and the Company has not been subject to any liquidation proceedings.

n) That the real place of effective management of the Company is not located anywhere else than in Luxembourg.

o) That the Company's Articles are the latest version available at the Luxembourg Register of Commerce and Companies and represent the current and valid version of the Company's Articles at the date hereof.

p) That the information contained in the Excerpt of the Trade Register and the Certificate of Non-Bankruptcy are complete, correct and accurate at the date hereof.

q) That the entry into and the execution by the Company of the Transaction Documents as well as the performance of its obligations thereunder are in the best interest of the Company.

Based upon, and subject to, the foregoing assumptions and subject to the qualifications set out below and to any matters not disclosed to us, we are of the opinion that under the laws of Luxembourg currently in effect, and as published, construed and applied by the Luxembourg courts, on the date hereof:

III. Opinion

(i) The Company has been duly incorporated and is validly existing as a société anonyme under the laws of Luxembourg for an unlimited duration and has the corporate power and authority to enter into and perform its obligations under the Transaction Documents.

(ii) The Indenture has been duly authorized, executed and delivered by the Company.

(iii) The Guarantee was duly authorized by the Company.

(iv) There is no rule or regulation under the laws of Luxembourg that would forbid, the Company from entering into or performing its obligations under the Indenture or Guarantee.

IV. Qualifications

This legal opinion is subject to the following qualifications:

a) In this legal opinion, some Luxembourg legal concepts are expressed in English terms and not in their original French terms. Terms and expressions of law and of legal concepts as used in this legal opinion have the meaning attributed to them under the laws of Luxembourg and this legal opinion should be read and understood accordingly. The concepts concerned may not be identical to the concepts described by the same English terms as they exist under the laws of other jurisdictions. This legal opinion may, therefore, only be relied upon under the express condition that any issue of interpretation or liability arising hereunder will be governed by Luxembourg law and be brought before a Luxembourg Court.

b) Any performance of an obligation arising from the Transaction Documents against the Company would be subject to any applicable bankruptcy, insolvency and any other similar Luxembourg laws relating to or affecting the enforcement or protection of creditors rights and remedies.

c) Translation into French or German language from all or from part of the Transaction Documents may be required by a Luxembourg court in any proceedings where the Transaction Documents might be produced.

d) The rights and obligations of the parties under the Transaction Documents may be limited by general principles of criminal law, including but not limited to criminal freezing orders.

e) Luxembourg courts as well as a Luxembourg "autorité constituée" may require the prior registration of the Transaction Documents, or any other document if they were to be produced in a Luxembourg court action or presented to a Luxembourg "autorité constituée" as the case may be, in which case one of the two following rates, ie a nominal registration duty of EUR 12 (twelve Euros) or an ad valorem duty of 0.24 (zero point twenty-four) per cent (calculated on the basis of the payment obligation concerned), depending on the nature of the document submitted to registration would become payable.

f) An obligation may be invalidated on the grounds of fraud, lack of consent (mistake, duress, misrepresentation), illegal consideration, uncertainty of the object, incapacity and force majeure.

g) The Excerpt of the Trade Register and the Certificate of Non-Bankruptcy are not conclusively capable of revealing whether or not:

- Winding-up (in the meaning of "dissolution") has been made or a resolution passed for the dissolution of the Company; or

- An order for the "faillite" or a "judicial liquidation" has been made.

h) For the purpose of statement of opinion (i) (part III hereof), "validly existing" does not mean a wealthy financial situation.

i) Luxembourg courts may at anytime require a party to provide further evidence notwithstanding clauses providing for determination or certification made by a party to be conclusive and binding upon the other parties.

j) We express no opinion as regards to the effectiveness of a revocation by the Company of a power of attorney granted by it and expressed to be irrevocable.

k) No opinion is expressed on any tax consequences of the execution of the Transaction Documents.

l) A severability clause may be ineffective if a Luxembourg court considers that the illegal, invalid or unenforceable clause was a substantial or material one.

m) There is no central register in Luxembourg which is capable of revealing whether there is any such order, writ, injunction or decree of any court or governmental authority against the Company and as such we are relaying on representations made to us by the Company.

n) For the purpose of statement of opinion (iv) (part III hereof), to the extent that any contrary matter of fact was disclosed by the Addressee under the Final Offering Circular, the General Disclosure Package and the Supplemental Marketing Material (as defined under a Purchase Agreement dated as of 11, August, 2009) or any Registration Statement or prospectus filed by the Issuer under the Securities Act.

o) Luxembourg courts may refuse to enforce any right or obligation of the parties to the Transaction Documents to the extent they are contrary to Luxembourg public order or policy ("*ordre public*").

V. Benefit of opinion

This legal opinion:

a) is given solely for the benefit of the Addressee herein; and

b) and may not be relied upon, or used by, circulated, quoted or referred to, nor copies hereof delivered to, any other person without our prior written approval; except that the Addressee may give copies to their legal advisers, auditors or regulators for the purposes of information only.

c) We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and any reference to us under the heading “Legal Matters” in the prospectus forming a part of the Registration Statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Yours sincerely,

/s/ Catherine Dessoy

Catherine Dessoy

Rue d’Eich 31 • L-1461 Luxembourg
Téléphone +352 42 60 70 1 • Téléfax +352 42 60 78 • e-mail : etude@edd.lu

Exhibit 5.6

Paris-La Défense
Tour Ernst & Young
Faubourg de l'Arche
92037 Paris-La Défense Cedex

Tél : 01 46 93 70 00
Fax : 01 58 47 48 00
www.ey-avocats.com

Paris-La Défense, September 11, 2009

To: Novelis Inc.
3399 Peachtree Road, NE, Suite 1500
Atlanta, Georgia 30326
USA

Cc: NOVELIS PAE SAS.

Ladies and Gentlemen:

We have acted as French legal counsel to NOVELIS PAE, a French *société par actions simplifiée* having its registered office at 725 rue Aristide Berges, 38340 Voreppe, France (the "Company"), a subsidiary of NOVELIS INC., a corporation formed under the Canada Business Corporation Act (the "Issuer"), in connection with the registration under the U.S. Securities Act of 1933 of (a) $185,000,000 principal amount of 11 1/2% senior notes due 2015 (the "Notes") of the Issuer, to be issued in exchange for the Issuer's outstanding 11 1/2% senior notes due 2015 pursuant to an Indenture, dated as of August 11, 2009 (the "Indenture"), among the Issuer, certain subsidiaries of the Issuer party thereto (collectively, the "Guarantors") and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), and (b) the guarantees (the "Guarantees") of each of the Guarantors of the Notes.

In connection therewith, we have examined such corporate records, certificates and other documents, as we have considered necessary or appropriate for the purposes of this opinion, as listed below:

1. a copy of the statuts (by-laws) of the Company, certified to be true and correct as of September 4, 2009 by Mr. Philippe Charlier, acting as President of the Company;
2. an *extrait K-bis* (Commercial and Companies Registry extract) issued by the clerk's office of the Commercial Court of Grenoble as at September 1, 2009;
3. a certificate of non-bankruptcy (*déclaration de recherches négatives en matière de procédures collectives*) issued by the clerk's office of the Commercial Court of Grenoble as at September 2, 2009;
4. a statement of privileges and pledges encumbering the assets (*état des privileges et nantissements*) issued by the clerk's office of the Commercial Court of Grenoble as at August 27, 2009;

5. a statement of registration of pledge of stock without dispossession (*état des inscriptions de gage sans dépossession*) issued by the clerk's office of the Commercial Court of Grenoble as at April 9, 2009;

6. a President's Certificate executed by Mr. Philippe Charlier, acting as President of the Company, dated September 4, 2009, in respect of the absence of any filing for bankruptcy;

7. minutes of the decisions of the Company's sole shareholder, dated September 4, 2009, approving the granting of, inter alia, the Guarantees, and any registration in relation thereto, by the Company;

8. a power of attorney granted by Mr. Philippe Charlier, acting as President of the Company, dated July 3, 2009;

9. an executed copy of the Indenture;

10. a form of the Notes; and

11. a form of the Guarantees.

This opinion is confined solely to matters of the laws of France in force on the date hereof as currently applied by French Courts and is given on the basis that it will be governed by and construed in accordance with such laws. Accordingly, we do not express or imply any opinion on the laws of any other jurisdiction including foreign conflict of law rules, and on private international law rules. Moreover, this opinion is strictly limited to the matters stated herein and may not be construed to extend by implication to any matters not specifically referred to herein.

For the purpose of this legal opinion, we have also assumed (assumptions which we have not independently verified):

A. that all documents provided to us as copies (including faxed or e-mailed copies), extracts, conformed copies or specimens conform to the originals thereof;

B. that all documents have been duly authorized, executed and delivered by, and are within the capacity and power of the parties thereto (other than the Company);

C. that all signatures provided to us are authentic and complete and that all signatures on the executed documents, or copies of which we have examined, are genuine;

D. that all documents examined by us in connection with this opinion are true, accurate and complete as to all their particulars as of the date hereof and have not been amended or terminated;

E. that the Indenture has been duly authorized, executed and delivered by each of the parties thereto and is within the capacity and power of, the parties thereto (other than the Company); that the Notes have been duly authorized by the Issuer and are within the capacity and power of the parties thereto; that the Guarantees have been duly authorized by the Guarantors and are within the capacity and power of the parties

thereto (other than the Company) and that the Issuer and the Guarantors have been duly organized and are existing corporations in good standing under the laws of their respective jurisdictions of organization; and that the Issuer's, the Company's and other parties' obligations under the Indenture, the Notes and the Guarantees are or will be legal, valid and binding obligations of the Issuer, the Company and such other parties enforceable against them in accordance with their terms, in each case under the laws to which they are expressed to be subject;

F. that the execution and delivery of the Indenture and the Guarantees, and performance by the Company of its obligations thereunder, do not or will not exceed the Company's financial capabilities and conform with the Company's corporate interest;

G. that the information revealed by the Commercial and Companies Registry extracts referred to in paragraphs 2 through 5 above were accurate in all respects and have not since the time of such search or inquiring been amended; and

H. that, on the date hereof, there does not exist any organizational document of the Company other than the by-laws referred to in 1. above.

Based upon and subject to the foregoing, we are of the opinion that:

1. The Company is duly incorporated and is validly existing as a *société par actions simplifiée* under the laws of France.

2. The Indenture has been duly authorized, executed and delivered by the Company.

3. The Guarantees have been duly authorized by the Company, and

4. when the terms of the Notes and the Guarantees and of their issuance have been duly established in conformity with the Indenture, and when the Notes and Guarantees have been duly executed, authenticated, issued and delivered in accordance with the terms of the Indenture, the Guarantees will constitute valid and legally binding obligations of the Company, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

In addition, this opinion is subject to the following qualifications and reservations, based on the applicable Laws of France as currently in effect and defined:

(A) We express no opinion as to availability of the remedy of specific performance under French law or before a French court.

(B) In respect of payment obligations, pursuant to Article 1244-1 *et seq.* of the French Civil Code, French courts have the power to defer or otherwise reschedule payment dates, taking into account the debtor's financial position and the creditor's financial needs; French courts may also decide that any amounts the payment dates of which are thus deferred or rescheduled will bear interest at a rate lower than the contractual rate and/or that any payments made shall first be allocated towards repayments of principal.

(C) A judgment rendered in France against the Company may be limited by the provisions of French law which give discretionary powers to French courts such as, inter alia, the discretion to limit or increase the amount of payments due under any penalty or indemnity obligation whose enforcement is sought in circumstances where non-performance was due to force majeure or which, taking into consideration the respective positions of the parties, is considered by the relevant French courts to be manifestly excessive or nominal, the discretion to grant grace periods of up to two years, or the discretion to reduce the rate of interest applicable to deferred payment.

(D) In the event of proceedings brought in a French court in respect of a monetary obligation expressed to be payable in a currency other than the euro, a French court might render a judgment expressed as an order to pay, not in such currency, but its euro equivalent at the time of the relevant judicial decision or payment or enforcement of the judgment.

(E) The enforcement of rights relating to the Notes, the Indenture and/or the Guarantees may be or become limited by the statute of limitations or by the lapse of time, or may be subject to set-off and counterclaim.

(F) Any document which is originally drafted, issued and executed in a foreign language must be translated into French by an official translator *(traducteur assermenté)* in order to be submitted as evidence in any action or proceeding before a French court.

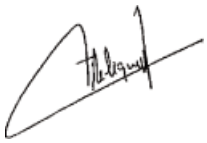
(G) A French court may refuse to give effect to a provision of an agreement in respect of the costs of unsuccessful litigation brought before a French court or where the court has itself made an order for costs.

We are rendering this opinion in our capacity as *Avocats au Barreau des Hauts-de-Seine,* as legal advisers to the Company, and this opinion shall be governed by and construed in accordance with the Laws of France.

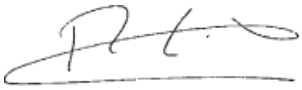
We hereby consent to the filing of this opinion as an exhibit to the Registration Statement. This opinion may not be relied upon for any other purpose without our express prior written consent, it being understood that it is given as of the date hereof and may not be relied upon as though given on any later date.

This opinion is given by the Paris-La Défense office of Ernst & Young Société d'Avocats and not on behalf of any other offices of Ernst & Young Société d'Avocats or any other firms associated with Ernst & Young Société d'Avocats.

Yours faithfully,



Frédéric RELIQUET
On behalf of Ernst & Young Société d'Avocats



Arthur PIERRET
On behalf of Ernst & Young Société d'Avocats

Exhibit 5.7

Frankfurt/Main, 11 September 2009

Novelis Inc.
3399 Peachtree Road, NE, Suite 1500
Atlanta, Georgia 30326

Sebastian Bock
Rechtsanwalt
Friedrichstraße 2-6
60323 Frankfurt am Main
Germany

Direct Dial: +49 (0) 69 971477 227
Telephone: +49 (0) 69 971477 0
Telefax: +49 (0) 69 971477 100
Sebastian.Bock@noerr.com
Our Ref.: F-0530-2009

Ladies and Gentlemen:

In connection with the registration under the U.S. Securities Act of 1933 (the "Securities Act") of (a) $185,000,000 principal amount of 11½% Senior Notes due 2015 (the "Notes") of Novelis Inc., a corporation organized under the laws of Canada (the "Company"), to be issued in exchange for the Company's outstanding 11½% Senior Notes due 2015 pursuant to an Indenture, dated as of August 11, 2009 (the "Indenture"), among the Company, the subsidiaries of the Company party thereto (collectively, the "Guarantors") and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), and (b) the guarantee issued by Novelis Deutschland GmbH (the "German Guarantor"), a company with limited liability incorporated under the laws of Germany with registered seat in Göttingen and registered with the commercial register of the local court of Göttingen (*Amtsgericht* Göttingen) under HRB 772 (the "Guarantee"), we, as German legal counsel, have examined the corporate documents as set forth in Schedule 1 hereto (the documents listed under 1. — 6. of Schedule 1, hereafter the "Documents").

1. ASSUMPTIONS

In rendering the opinions expressed below, we have, with your consent, assumed without any further investigation:

1.1 that the signatures on all Documents submitted to us are genuine signatures of the individual concerned and all persons signing or otherwise executing the agreements and instruments in connection therewith on behalf of the parties thereto or proxies for the execution of them on behalf of the parties thereto (i) were legally capable to do so (*geschäftsfähig*) and (ii) had or have proper authority to do so under any applicable law other than German law;

1.2 that each power of attorney of any person executing on the basis of such power of attorney has not been revoked prior to the execution of any of the relevant Documents;

1.3 that each power of attorney of any person executing on the basis of such power of attorney, other than any power of attorney issued by the German Guarantor, is in full force and effect in the form submitted to us;

1.4 the authenticity and completeness of all documents submitted to us, whether as originals or copies, as signed or unsigned, certified or uncertified versions, the conformity to the original documents of all documents submitted to us as copies and the correctness of all statements made to us in respect of such documents and the time they were executed;

1.5 that to the extent the Documents are executed in a signing by exchange of fax signature pages, they have been executed in the form and version which is identified pursuant to the version distributed for execution and reviewed by us;

1.6 that all Documents are within the capacity and power of and have been, or will be, (as the case may be) validly authorised, executed and delivered by and are legal, valid and binding upon and enforceable against the parties thereto under any applicable laws other than German law and correctly reflect the facts which they purport to reflect and there has been no breach of any of the term thereof;

1.7 that all matters required to be filed by the German Guarantor with the relevant commercial register have been filed and no filing procedures with regard to matters that would have an impact on the opinion delivered herein are pending;

1.8 that the information filed with the relevant commercial register was true, complete and not misleading in all respects at the time the filing was made;

1.9 that no Document has been revoked, rescinded, rebuilt, terminated (in each case whether as whole or in part), amended or supplemented;

1.10 that the Documents have been entered into *bona fide* and at arms' length terms by all parties thereto and that the decision of any party to enter into such agreements has not been influenced by any relevant error or other deficiency of state of mind;

1.11 that each party to the Documents is effectively administered in the jurisdiction of its incorporation and that each party other than the German Guarantor is duly incorporated, validly existing and, where appropriate, in good standing under all applicable laws, has duly authorized, executed and delivered the respective Documents and has the requisite corporate power to participate in the transactions considered therein;

1.12 that nothing in this opinion is affected by the provisions of any law other than the German law or by any regulation or other agreement of the parties or any other document other than the Documents; and

1.13 that no law of any jurisdiction outside Germany would render the execution of the Documents, the consummation of the transactions contemplated thereby illegal or ineffective, and that insofar as any obligation under the Documents is to be performed or enforced in, or is otherwise subject to the laws of, any jurisdiction other than Germany, such obligations constitute valid and legally binding obligations of the relevant parties enforceable against each such parties in accordance with their respective terms under all such laws and their performance or enforcement will not be illegal or ineffective by virtue of the laws of that jurisdiction.

2. OPINION

Upon the basis of such examination and under the assumptions set forth above, we advise you that, in our opinion, (1) the German Guarantor has been duly organized and is an existing corporation under the laws of Germany, (2) the Indenture has been duly authorized, executed and delivered by the German Guarantor, (3) the Guarantee has been duly authorized by the German Guarantor, and (4) when the terms of the Notes and the Guarantee and of their issuance have been duly established in conformity with the Indenture and the Notes and the Guarantee have been duly executed, authenticated, issued and delivered in accordance with the terms of the Indenture, the Guarantee will constitute valid and legally binding obligations of the German Guarantor, subject to the Guarantee constituting valid and binding obligations under the laws of New York and subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, *ordre public* and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

The foregoing opinion is limited to and given on the basis of the substantive laws of Germany as in existence at the date hereof. We are expressing no opinion as to the effect of the laws of any other jurisdiction.

3. QUALIFICATIONS

This opinion letter is subject to the following qualifications:

3.1 Any provision of any document providing that certain certifications or determinations will be conclusive or binding will not necessarily prevent judicial enquiry into the merits of any claim by any aggrieved party. If contractual or legal consequences are attached to the occurrence or non-occurrence of an event a German

court would have the discretion to decide (upon evidence being brought to it) whether such event has occurred.

3.2 No managing director (*Geschäftsführer*) nor holder of a commercial power of attorney (*Prokurist*) nor any other natural or legal person authorised directly or indirectly to represent the German Guarantor is permitted to represent a (natural or legal) person, including any German Guarantor, in a transaction where he would at the same time be acting in his own name or in the name of another (natural or legal) person, unless he has expressively been granted the permission to do so (Section 181 German Civil Code "*BGB*"). The managing directors, holders of the commercial power of attorney (*Prokurist*) or any other persons acting on behalf of the German Guarantor were duly released from the restrictions of Sec. 181 *BGB* for this purpose.

3.3 According to general principles of German law, any agreement may be open to challenge in circumstances where there have been material changes in the underlying situation (e.g. *Wegfall der Geschäftsgrundlage, Anfechtung wegen Irrtum, Täuschung oder Drohung*).

3.4 Although German law, in general, recognizes the concept of irrevocability, a German court may limit this by applying restrictions based on material changes in the underlying situation or material reasons (*wichtige Gründe*) (such as fraud or criminality) for the respective concerned party to withdraw from the right irrevocably granted.

3.5 Under certain conditions, payments made to or received from a non-German resident have to be notified by the party making such payment to the Deutsche Bundesbank for statistical purposes. Any omission of such notification may trigger an administrative fine (*Bußgeld*) under the Foreign Trade and Payment Regulation (*Außenwirtschaftsverordnung*), but will neither affect the validity or enforceability of the relevant agreement nor otherwise cause disadvantageous legal consequences for non-resident legal entities receiving such payments.

3.6 Any enforcement of the Guarantee in Germany will be subject to the rules of civil procedure and enforcement (*Zivilprozeßrecht*) arising by statute or otherwise by operation of law, each as applied by the courts or other competent authorities in Germany, which, *inter alia*, without limitation, might require the translation of foreign language documents into the German language, do not provide for discovery and might apportion the cost between the parties otherwise than as contemplated in any document.

3.7 A final judgment issued by a court of the State of New York or in the courts of the United States for the Southern District of New York in relation to the Documents, as the case may be, will, in principle, be recognized and enforced by the courts of the

Federal Republic of Germany. The judgment will be enforced if an action for judicial enforcement (*Vollstreckungsklage*, Section 722 of the German Code of Civil Procedure ("*ZPO*") is brought to have the judgment declared enforceable by a court of the Federal Republic of Germany. The judgment of enforcement (*Vollstreckungsurteil*, Section 723 *ZPO*) will be of the same force and effect as if a material judgment had been originally given in a court or courts of the Federal Republic of Germany. The court of the Federal Republic of Germany will only examine whether the foreign judgment is legally effective and final, and whether there is an impediment to recognition pursuant to Section 328 *ZPO*, or whether there are any defenses which have arisen after the date on which the foreign judgment became legally effective and final. Impediments to recognition within the meaning of Section 328 *ZPO* are:

(a) if the foreign court which issued the judgment was not competent pursuant to German provisions governing international jurisdiction in accordance with European Union Council Regulation (EC) No. 44/2001;

(b) where the judgment was issued in default of appearance, if the defendant was not served with the document which instituted the proceedings in due manner or in sufficient time as to enable him to arrange for his defense;

(c) if the foreign judgment is not compatible with an earlier German or other recognizable foreign judgment or if the foreign proceeding on which the foreign judgment is based was not compatible with a pending German proceeding, if the German proceeding was commenced earlier than the foreign proceeding;

(d) if the recognition of the foreign judgment would lead to a result that would be evidently incompatible with German public policy, in particular if the recognition of the judgment would be incompatible with the German constitutional fundamental personal rights (*Grundrechte*); and

(e) if the reciprocity (i.e. recognition of German judgments in the foreign state) is not given.

3.8 In an action before a German court, the choice of New York law as the governing law of the Documents, as the case may be, will be, in general recognised in Germany. The choice of New York law will, however, not be given effect by a German court if:

(a) the subject matter of the action concerns a provision of German law of mandatory application; or if

(b) the application of a provision of New York law would have a result that is

evidently irreconcilable with fundamental principles of German law, in particular if the application would be irreconcilable with the constitutional fundamental rights (*Grundrechte*).

4. BENEFIT OF OPINION

This opinion is furnished by us as German special counsel for the addressee and its assignees and may be relied upon by you and your assignees only in connection with the registration of the Notes with the U.S. Securities and Exchange Commission. This opinion may not be relied upon by you for any other purpose, or by any person, firm, company or institution other than you.

This opinion and any issues of interpretation thereof, or liability thereunder are governed by, limited to and construed in accordance with substantive German law without recourse to its rules on conflicts of law. The exclusive place of jurisdiction for any disputes arising under or in connection with this opinion letter is Frankfurt/Main, Germany. Our mandate in giving this legal opinion is governed by German law and subject to the jurisdiction of German courts.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and any reference to us under the heading "Legal Matters" in the prospectus forming a part of the Registration Statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Very truly yours,
NÖRR STIEFENHOFER LUTZ • Partnerschaft

/s/ Sebastian Bock

Sebastian Bock

Rechtsanwalt

SCHEDULE 1

1. A copy of the indenture dated as of August 11, 2009 among Novelis Inc., the Guarantors (as defined therein) and The Bank of New York Mellon Trust Company, N.A. as trustee;

2. A copy of the notation of guarantee dated as of August 11, 2009 executed by Novelis Deutschland GmbH;

3. A form of the notation of exchange guarantee;

4. A copy of the Minutes of Board of Directors of Novelis Aluminium Holding Company dated as of July 1, 2009 for Novelis Deutschland GmbH on the transactions contemplated in, inter alia, the Indenture and the Guarantee;

5. A certified copy of an excerpt from the commercial register at the local court (*Amtsgericht*) in Göttingen (HRB 772) pertaining to Novelis Deutschland GmbH dated August 3, 2009; and

6. A certified copy of the articles of association of Novelis Deutschland GmbH dated August 3, 2009.

Exhibit 5.8

Novelis Inc.
3399 Peachtree Road, NE, Suite 1500
Atlanta, Georgia 30326
U.S.A.

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Dr. André E. Lebrecht, LL.M.
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Dr. Kaspar Landolt, LL.M.
Attorney at Law
kaspar.landolt@cms-veh.com

Novelis Notes Offering

September 11, 2009

Ladies and Gentlemen,

In connection with the registration under the U.S. Securities Act of 1933 of (a) $185,000,000 principal amount of 11½% Senior Notes due 2015 (**Notes**) of Novelis Inc., a corporation organized under the laws of Canada (**Company**), to be issued in exchange for the Company's outstanding 11½% Senior Notes due 2015 pursuant to an Indenture, dated as of August 11, 2009 (**Indenture**), among the Company, the subsidiaries of the Company party thereto (collectively, the **Guarantors**) and The Bank of New York Mellon Trust Company, N.A., as trustee, and (b) the Guarantees (**Guarantees**) of each of the Guarantors endorsed upon the Notes, we, CMS von Erlach Henrici Ltd, are acting as Swiss counsel to the Company and, in that capacity, we have been asked to provide a legal opinion on matters of Swiss law related to the granting of the Guarantees by Novelis AG, Zurich, Novelis Switzerland SA, Sierre, and Novelis Technology AG, Neuhausen am Rheinfall (collectively, the **Swiss Guarantors**).

1. Documents

For the purposes of this opinion we have examined and relied upon the following documents (collectively, the **Documents**, and each a **Document**):

1.1 a pdf copy of the executed Indenture;

1.2 a draft of the Guarantees;

1.3 a pdf copy of the executed circular board resolution of Novelis AG dated as of June 30, 2009;

1.4 a pdf copy of the executed circular board resolution of Novelis Switzerland SA dated as of June 30, 2009;

1.5 a pdf copy of the executed circular board resolution of Novelis Technology AG dated as of June 30, 2009;

1.6 a pdf copy of the executed shareholders' resolution of Novelis AG dated as of June 30, 2009;

1.7 a pdf copy of the executed shareholders' resolution of Novelis Switzerland SA dated as of June 30, 2009;

1.8 a pdf copy of the executed shareholders' resolution of Novelis Technology AG dated as of June 30, 2009;

1.9 a pdf copy of the executed proxy granted by Novelis Europe Holdings Limited to Fortunato Lucido regarding the extraordinary shareholders' meeting of Novelis AG and dated as of June 30, 2009;

1.10 a pdf copy of the executed proxy granted by Novelis AG to Fortunato Lucido regarding the extraordinary shareholders' meeting of Novelis Switzerland SA and dated as of June 30, 2009;

1.11 a pdf copy of the executed proxy granted by Novelis AG to Fortunato Lucido regarding the extraordinary shareholders' meeting of Novelis Technology AG and dated as of June 30, 2009;

1.12 pdf copies of the executed letters dated as of June 30, 2009 under which the members of the boards of directors of the Swiss Guarantors waive their participation at the extraordinary shareholders' meetings of the Swiss Guarantors;

1.13 a pdf copy of the power of attorney by Novelis AG dated as of June 30, 2009;

1.14 a pdf copy of the power of attorney by Novelis Switzerland SA dated as of June 30, 2009;

1.15 a pdf copy of the power of attorney by Novelis Technology AG dated as of June 30, 2009;

1.16 a certified excerpt from the commercial register of the Canton of Zurich for Novelis AG dated as of July 29, 2009;

1.17 a certified excerpt from the commercial register of Central Valais for Novelis Switzerland SA dated as of July 30, 2009;

1.18 a certified excerpt from the commercial register of the Canton of Schaffhausen for Novelis Technology AG dated as of July 29, 2009;

1.19 a copy of the articles of incorporation of Novelis AG dated December 23, 2004 and certified on June 24, 2009;

1.20 a copy of the articles of incorporation of Novelis Switzerland SA dated February 17, 2005 and certified on June 25, 2009; and

1.21 a copy of the articles of incorporation of Novelis Technology AG dated December 13, 2004 and certified on June 24, 2009.

The Indenture and the Guarantees are collectively referred to as the **Agreements**. The Documents set forth in clauses 1.19 through 1.21 are collectively referred to as the **Articles of Incorporation**. Capitalized terms not defined herein shall have the meaning given to them by the Indenture.

2. Assumptions

For the purposes of this opinion, we have without further inquiry assumed:

2.1 that all parties to the Agreements (other than the Swiss Guarantors) are validly existing and duly organized under the laws applicable to them;

2.2 the genuineness of all signatures on, and the authenticity, correctness and completeness of, each Document and all Documents as a whole as of the date hereof, including facsimile and electronic copies;

2.3 the legal capacity of the individuals whose signatures appear on the Documents pursuant to the applicable laws;

2.4 the lack of defects of intention (*Willensmängel*) on the part of the parties to the Agreements;

2.5 to the extent applicable, that the Agreements have been duly authorised, executed and delivered by each of the parties thereto in accordance with all applicable laws (other than the laws of Switzerland);

2.6 that the Agreements constitute or will constitute legal, valid and binding obligations of each of the parties thereto enforceable under all applicable laws (other than the laws of Switzerland);

2.7 that, where a Document has been examined by us in draft or specimen form, it will be or has been duly executed and delivered in the form and substance of that draft or specimen;

2.8 that all parties to the Agreements have obtained and will obtain at the appropriate time and will maintain in force any approval, consent or authorisation and will make all filings and registrations required in connection with the Agreements and the transactions contemplated by the Agreements under any laws (other than the laws of Switzerland);

2.9 that all acts have been, are and will be performed (and any acts required by the Documents not to be done have not been, are not and will not be performed) and all conditions have been, are and will be satisfied in each case in accordance with the Documents and in accordance with the applicable laws;

2.10 that the transactions contemplated in the Agreements are entered into for *bona fide* commercial reasons;

2.11 that the transactions contemplated in the Agreements (other than the obligations of the Guarantors in favour of their affiliates) constitute arm's length transactions and do not intend to secure obligations of affiliated companies (up-stream obligations or cross-stream obligations) of the parties to the Agreements;

2.12 that none of the parties to the Agreements is or will be seeking to achieve any purpose not apparent from the Agreements which might render any of the Agreements illegal or void; and

2.13 that there are no provisions of the laws of any jurisdiction outside Switzerland which would have any implication for the opinion we express and that, insofar as the laws of any jurisdiction outside Switzerland may be relevant, such laws have been or will be complied with.

3. Opinion

Based upon, in reliance on and subject to the Documents and the comments, assumptions, qualifications, exceptions and limitations set out herein and subject to any factual matters, documents or events not disclosed to us by the parties concerned, having regard to such legal considerations as we deem relevant, we are of the opinion that:

3.1 Each of the Swiss Guarantors is duly organized, validly existing and registered in the commercial registers of the Canton of Zurich, Central Valais and the Canton of Schaffhausen, respectively, in accordance with the laws of Switzerland.

3.2 Each of the Swiss Guarantors has the corporate power and authority to enter into and perform its obligations under the Agreements.

3.3 The Indenture has been duly authorized and executed by the Swiss Guarantors.

3.4 The Guarantees have been duly authorized by the Swiss Guarantors.

3.5 The Guarantees will constitute valid and legally binding obligations of the Swiss Guarantors.

4. Qualifications

This opinion is subject to the following qualifications, each of which is separate and not limited by any other qualification or other statements herein, even if such qualifications and statements partly or fully deal with the same subject matter:

4.1 In this opinion, Swiss legal concepts, actions, remedies and legal documents are referred to in English terms and not in their original Swiss language terms. Such terms are used herein exclusively in the Swiss legal context and may have a meaning different from the meaning of the same English terms as they are used in the context of foreign laws.

4.2 The opinions expressed herein may be affected by applicable bankruptcy, insolvency, avoidance, liquidation, arrangement, moratorium, or other similar laws of general application to which the parties to the Agreements are or may become subject.

4.3 There is a risk, which cannot be absolutely excluded, that the documents set forth in clauses 1.16 to 1.21 above, which are publicly available at the time this Opinion has been issued, do not reflect that, in respect of a Swiss Guarantor, (i) a voluntary winding-up resolution has been passed, (ii) a petition has been presented or order made by a court for the bankruptcy or moratorium, or (iii) a bankruptcy administrator, commissioner, liquidator or similar officer administering insolvency proceedings has been appointed.

4.4 In order to be enforceable in debt enforcement proceedings (*Betreibungsverfahren*) in Switzerland a money claim must be converted into Swiss francs (Art. 67 para. 1 section 3 of the Swiss Federal Statute on Debt Enforcement and Bankruptcy).

4.5 The statement that the "Guarantees will constitute valid and legally binding obligations of the Swiss Guarantors" means that (a) no consent, approval, authorization or other order of, or registration or filing with, any Swiss court or other Swiss governmental or regulatory authority or Swiss agency is required for

the Swiss Guarantors' execution and performance of the Agreements; (b) the execution and performance of the Agreements by the Swiss Guarantors will not result in a breach or violation of any of the terms and provisions of (i) the Articles of Incorporation or (ii) any Swiss law; (c) the choice of the laws of the State of New York as the law governing the Agreements is valid under the relevant rules of the Swiss Private International Law Statute (**PILS**) and will be recognised by Swiss courts; and (d) a final judgement rendered by a court of the State of New York, or a court of the United States of America, located in the Borough of Manhattan, City and State of New York, with respect to the Agreements will be recognised and enforceable in Switzerland in accordance with and subject to the rules of art. 25 et seq. PILS, without a retrial on the merits.

4.6 The term "enforceable" when used in this opinion means that such obligation is of a type and form generally enforced by the Swiss courts. It does not mean that those obligations will necessarily be enforced in accordance with their terms and conditions or by or against third parties or in foreign jurisdictions in all circumstances throughout the duration of the Agreements. Nor does it mean that any particular remedy will be available or that a party will, or will be able to, comply with or satisfy any judgment, order or award that may be entered or made against it.

4.7 The enforcement of a claim or of a final court decision against the Company or the Swiss Guarantors under the Agreements may be affected by the expiry of a statute of limitations period or by defences of set-off or counterclaim.

4.8 To the extent that the entering into, or the settlement of, payment obligations is in breach of the currency exchange regulations of a country being member of the International Monetary Fund, these obligations may not be enforceable in Switzerland (Art. VIII para. 2 lit. b IMF Agreement).

4.9 Where the Agreements vest a party with discretion or the right to determine a matter or amount in its opinion, Swiss law will require that such discretion is exercised reasonably and that such opinion is based upon reasonable grounds, and in each case with reference to facts and circumstances not under the control of such party (e.g. market quotes).

4.10 Pursuant to art. 5 para. 2 PILS, a choice of jurisdiction is ineffective if a party is abusively deprived of protection at a place of jurisdiction provided by Swiss law. We believe, however, that the risk that such provision will be applied is very remote.

4.11 The recognition and enforcement of a foreign judgement in Switzerland is subject to the following PILS rules:

4.11.1 a Swiss court may refuse to give effect to any foreign judgement if such judgement is inconsistent with Swiss public policy (art. 27 para. 1 PILS);

4.11.2 a Swiss court may refuse to give effect to any foreign judgement if a party to such judgement can establish

(i) that under the laws of its domicile such party had not received proper service of process (art. 27 para. 2 lit. a PILS);

(ii) that the judgement was rendered in violation of fundamental principles of Swiss procedural law, in particular the right to be heard (art. 27 para. 2 lit. b PILS);

(iii) that a lawsuit between the same parties concerning the same case was first initiated in Switzerland or first decided in a third country, provided the requirements for the recognition of such decision are met (art. 27 para. 2 lit. c PILS).

4.12 Under Swiss law, the assumption of obligations, including the granting of guarantees, such as the Guarantees, in favour of affiliates ("upstream obligations" or "cross-stream obligations") by a Swiss company at non-arm's length terms or payments of a Swiss company under such obligations are deemed dividend distributions subject to the relevant rules of Swiss corporate law. As a consequence, any such payments may only be made out of the freely distributable balance sheet reserves of the Swiss Guarantors. Further, since clear statutory rules and case law dealing with the issue of upstream and cross-stream obligations do not exist in Switzerland, it cannot be excluded that not only the assumption of upstream or cross-stream obligations, but also each single payment of the Swiss Guarantors thereunder requires the approval of the Swiss Guarantors' shareholders' meeting in order to be valid.

Thus, although the upstream and cross-stream obligations of the Swiss Guarantors set forth in the Agreements are limited to the freely distributable balance sheet reserves of the Swiss Guarantors, there is a risk, which we cannot exclude with certainty, that such upstream and cross-stream obligations are not binding upon the Swiss Guarantors should the approval of the shareholders' meetings of the Swiss Guarantors be required for each or a single payment, but such approval not be given.

4.13 We express no opinion with regard to tax matters. Please note, however, that upstream or cross-stream obligations assumed at non-arm's length terms are also treated as dividend distributions for tax purposes. Therefore, there is a risk that the Swiss Guarantors may become subject to Swiss withholding tax of up to 53.8% of (i) the amount of a guarantee or similar fee customarily paid to a

guarantor under similar circumstances, (ii) the amounts paid under the upstream and cross-stream obligations (if any), and (iii) if at the time of the assumption of the upstream and cross-stream obligations it was foreseeable that the beneficiary may become insolvent, the entire amount assumed thereunder. Further, for income tax purposes, (i) the amount of an adequate guarantee or similar fee may be deemed profit of the Swiss Guarantors, (ii) payments under the upstream and cross-stream obligations may not be admissible as deductible business expenses, and (iii) any provisions made in respect of the contingent upstream and cross-stream obligations may be disregarded.

4.14 Swiss law restricts the parties' ability to provide for specific contractual rules with respect to the assessment of evidence by the court. Under the Indenture, the parties provided for certain rules on evidence (see, for example, Sections 2.02(c) and 12.14(c) of the Indenture). There is a risk that a foreign judgment obtained against the Company or the Swiss Guarantors based on such rules on evidence may not be recognised and enforced in Switzerland.

4.15 There is a remote risk which cannot entirely be excluded that a Swiss court would declare an irrevocable appointment of an agent for service of process as per Section 12.12(b) of the Indenture to be inconsistent with Swiss public policy and, thus, would recognize a revocation without regard to a New York law provision stating otherwise.

5. Limitations

This opinion is confined to matters of Swiss law currently in force and as applied by Swiss courts or interpreted by the relevant legal scholars at the date hereof. We have made no investigation of the laws of any country other than Switzerland and we do not express or imply any opinion thereon.

This opinion is given solely (i) to, and for the benefit of, the addressee as set forth first above, and (ii) with respect to the Agreements. Without our prior written consent, it may not be disclosed to any other party, save that we hereby consent to the filing of this opinion as an exhibit to the Exchange Offer Registration Statement, or relied upon by any other party or for any other purpose. This opinion may not be quoted or referred to in any public document or filed with any government authority or other person, without, in each instance, our prior written consent.

We disclaim any obligation or liability to keep ourselves informed, or update you, on any relevant developments after the date hereof, respectively, with regard to the Documents, after their dates.

This opinion is given by CMS von Erlach Henrici Ltd which assumes liability, and is responsible, for it. No individual is liable to any person for this opinion.

6. Governing Law and Place of Jurisdiction

This opinion may only be relied upon on the conditions that (i) this opinion is in all respects governed by, and construed in accordance with, Swiss law, and (ii) exclusive place of jurisdiction for all disputes arising in connection with this opinion is Zurich, Switzerland.

Yours sincerely

CMS von Erlach Henrici Ltd

/s/ André E. Lebrecht /s/ Kaspar Landolt

[Letterhead of A&L Goodbody]

our ref | MD/CMK 01363840 your ref | date | **11 September** 2009

Novelis Inc.
3399 Peachtree Road, NE, Suite 1500
Atlanta, Georgia 30326
(the **Addressee**)

Dear Sirs,

In connection with the registration under the U.S. Securities Act of 1933) (the **Securities Act**) of (a) $185,000,000 principal amount of 11.5% Senior Notes due 2015 (the **Notes**) of Novelis Inc., a corporation organised under the laws of Canada (the **Issuer**), to be issued in exchange for the Issuer's outstanding 11.5% Senior Notes due 2015 pursuant to an Indenture dated as of 11 August 2009 (the **Indenture**) among the Issuer, the subsidiaries of the Issuer party thereto including, but not limited to, Novelis Aluminium Holdings Company (the **Company**) (collectively, the **Guarantors**) and The Bank of New York Mellon Trust Company, N.A. as trustee (the Trustee) and (b) the Guarantee (the **Guarantee**) of each of the Guarantors endorsed upon the Notes (the **Transaction**), we, as legal advisors to the Company have examined such corporate records, certificates and other documents, and such questions of law, as we have considered necessary or appropriate for the purposes of this opinion.

1. We express no opinion as to any matters falling to be determined other than under the laws of Ireland and, without reference to provisions of other laws imported by Irish private international law, in Ireland as of the date of this letter. Subject to that qualification and to the other qualifications set out herein, we are of the opinion that:

   1.1. the Company has been duly incorporated and is validly existing under the laws of Ireland;

   1.2. the Indenture has been duly authorised, executed and delivered by the Company;

   1.3. the Guarantee has been duly authorised by the Company;

   1.4. the validity, legality and binding nature of the Company's obligations under the Guarantee, which we understand, as a matter of New York law, have been or will be confirmed by the legal opinion of King & Spalding dated on or about the date hereof, will be recognised by the Irish courts in the following manner:

      1.4.1. in any proceedings taken in Ireland for the enforcement of the Guarantee, the choice of the law of the State of New York as the governing law of the contractual rights and obligations of the parties under the Guarantee would be upheld by the Irish Courts in accordance with and subject to the provisions of the Rome Convention on the Law Applicable to Contractual Obligations unless it were considered contrary to public policy, illegal, or made in bad faith;

      1.4.2. in any proceedings taken in Ireland for the enforcement of the Guarantee, the choice of the law of the State of New York as the governing law of any non-contractual rights and obligations of the parties arising under and pursuant to the Guarantee would be upheld by the Irish Courts in accordance with and subject to the provisions of Regulation (EC) No 864/2007 on the Law Applicable to Non-Contractual Obligations;

      1.4.3. in any proceedings taken in Ireland for the enforcement of a judgment obtained against the Company in the courts of the State of New York (a **Foreign Judgment**) the Foreign Judgment should be recognised and enforced by the courts of Ireland save that to enforce such a Foreign Judgment in Ireland it would be necessary to obtain an order of the Irish courts. Such order should be granted on proper proof of the Foreign Judgment without any re-trial or examination of the merits of the case subject to the following qualifications:

         (i) that the foreign court had jurisdiction, according to the laws of Ireland;

         (ii) that the Foreign Judgment was not obtained by fraud;

(iii) that the Foreign Judgment is not contrary to public policy or natural justice as understood in Irish law;

(iv) that the Foreign Judgment is final and conclusive;

(v) that the Foreign Judgment is for a definite sum of money; and

(vi) that the procedural rules of the court giving the Foreign Judgment have been observed; and

1.4.4. any such order of the Irish courts may be expressed in a currency other than euro in respect of the amount due and payable by the Company but such order may be issued out of the Central Office of the Irish High Court expressed in euro by reference to the official rate of exchange prevailing on the date of issue of such order. However, in the event of a winding up of the Company, amounts claimed by against the Company in a currency other than the euro (the **Foreign Currency**) would, to the extent properly payable in the winding up, be paid if not in the Foreign Currency in the euro equivalent of the amount due in the Foreign Currency converted at the rate of exchange pertaining on the date of the commencement of such winding up.

2. For the purpose of giving this opinion we have assumed:

2.1. the authenticity of all documents submitted to us as originals and the completeness and conformity to the originals of all copies of documents of any kind furnished to us;

2.2. that the copies produced to us of minutes of meetings and/or of resolutions are true copies and correctly record the proceedings of such meetings and/or the subject-matter which they purport to record and that any meetings referred to in such copies were duly convened and held and that all resolutions set out in such minutes were duly passed and are in full force and effect;

2.3. the genuineness of the signatures and seals on all original and copy documents which we have examined;

2.4. that the memorandum and articles of association of the Company attached to the Certificate are correct and up to date;

2.5. the accuracy and completeness as to factual matters of the representations and warranties of the Company contained in the Agreements and in the Certificate and the accuracy of all certificates provided to us by the Company;

2.6. that there are no agreements or arrangements in existence which in any way amend or vary the terms of the Transaction as disclosed by the Agreements;

2.7. without having made any investigation, that the terms of the Agreements are lawful and fully enforceable under the laws of the State of New York and any other applicable laws other than the laws of Ireland;

2.8. that the Guarantee will not constitute financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company or its holding company within the meaning of Section 60 of the Companies Act, 1963;

2.9. the accuracy and completeness of all information appearing on public records; and

2.10. that the Company has entered into the Transaction in good faith, for its legitimate business purposes, for good consideration, and that it derives commercial benefit from the Transaction commensurate with the risks undertaken by it in the Transaction.

3. The opinions set forth in this opinion letter are given subject to the following qualifications:

3.1. an order of specific performance or any other equitable remedy is a discretionary remedy and is not available when damages are considered to be an adequate remedy;

3.2. this opinion is given subject to general provisions of Irish law relating to insolvency, bankruptcy, liquidation, reorganisation, receivership, moratoria, court scheme of arrangement, administration and examination, and the fraudulent preference of creditors and other Irish law generally affecting the rights of creditors;

3.3. this opinion is subject to the general laws relating to the limitation of actions in Ireland;

3.4. a determination, description, calculation, opinion or certificate of any person as to any matter provided for in the Agreements might be held by the Irish courts not to be final, conclusive or binding if it could be shown to have an unreasonable, incorrect, or arbitrary basis or not to have been made in good faith;

3.5. additional interest imposed by any clause of any of the Agreements might be held to constitute a penalty and the provisions of that clause imposing additional interest would thus be held to be void. The fact that such provisions are held to be void would not in itself prejudice the legality and enforceability of any other provisions of the relevant Agreement but could restrict the amount recoverable by way of interest under such Agreement;

3.6. claims may be or become subject to defences of set-off or counter-claim;

3.7. an Irish court has power to stay an action where it is shown that there is some other forum having competent jurisdiction which is more appropriate for the trial of the action, in which the case can be tried more suitably for the interests of all the parties and the ends of justice, and where staying the action is not inconsistent with Council Regulation 2001/44/EC on Jurisdiction and the Enforcement of Judgments;

3.8. the enforceability of severance clauses is at the discretion of the court and may not be enforceable in all circumstances;

3.9. a waiver of all defences to any proceedings may not be enforceable;

3.10. provisions in any of the Agreements providing for indemnification resulting from loss suffered on conversion of the amount of a claim made in a foreign currency into euro in a liquidation may not be enforceable;

3.11. an Irish court may refuse to give effect to undertakings contained in any of the Agreements that the Company will pay legal expenses and costs in respect of any action before the Irish courts; and

3.12. we express no opinion on any taxation matters or on the contractual terms of the relevant documents other than by reference to the legal character thereof.

This opinion is addressed only to the Issuer and may be relied upon only by the Addressee for its sole benefit in connection with the Transaction and may not be relied on by any assignees of any such persons or any other person.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement filed or to be filed with the U.S. Securities and Exchange Commission by the Issuer on or about the date hereof and any reference to us under the heading “Legal Matters” in the prospectus forming part of the Registration Statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act of 1933, as amended.

Yours faithfully,

/s/ A&L Goodbody

Exhibit 5.10

LEVY & SALOMÃO
A D V O G A D O S

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1244/10966
São Paulo,
September 11, 2009

Novelis Inc.
3399 Peachtree Road, NE, Suite 1500
Atlanta, Georgia 30326
United States of America

Re: US$ 185,000,000.00 Novelis Inc. 11½% Senior Notes due 2015

Ladies and Gentlemen,

1. We have acted as counsel for Novelis do Brasil Ltda. (hereinafter referred to as the "Brazilian Guarantor") in connection with (i) a Purchase Agreement (the "Purchase Agreement") dated as of August 5, 2009 by and among Novelis Inc. (the "Issuer"), the Brazilian Guarantor and certain other subsidiaries of the Issuer as guarantors (collectively with the Brazilian Guarantor, the "Guarantors") and Credit Suisse Securities (USA) LLC, acting on behalf of themselves and as representative for the several Purchasers (as defined therein); (ii) an Indenture (the "Indenture") dated as of August 11, 2009 by and among the Issuer, the Guarantors and The Bank of New York Mellon Trust Company, N.A., as trustee; (iii) a Registration Rights Agreement dated as of August 11, 2009 by and among the Issuer, the Guarantors and Credit Suisse Securities (USA) LLC, acting on behalf of themselves and as representatives for the Purchasers; and (iv) the notation of guarantee dated as of August 11, 2009.

2. This opinion is issued in connection with the registration under the U.S. Securities Act of 1933 (the "Securities Act") of (a) US$185,000,000 principal amount of 11½% Senior Notes due 2015 (the "Notes") of the Issuer, to be issued in exchange for the

Issuer's outstanding 11½% Senior Notes due 2015 pursuant to the Indenture; and (b) the guarantees of each of the Guarantors referring to the Notes ("the Guarantees").

3. The terms appearing with a capital letter have the meaning given to them in the Purchase Agreement, if not defined herein.

4. To give the present opinion, we have examined copies of:

i) the Indenture, a non-executed form of the Notes and a non-executed form of the Guarantees;

ii) the articles of association (*estatuto social*) of the Brazilian Guarantor dated September 18, 2008;

iii) the resolutions of the shareholders of the Brazilian Guarantor dated August 20, 2008 and June 26, 2009;

iv) the power of attorney dated June 29, 2009 by which the Brazilian Guarantor appointed Brock Shealy, Randal Miller and Christopher Courts as its attorneys-in-fact; and

v) a certificate of the responsible officers of the Brazilian Guarantor dated August 3, 2009.

5. The opinions set out in this letter (i) relate only to the laws of the Federative Republic of Brazil (hereinafter referred to as "Brazil") as in force at the date hereof, and no opinion shall be expressed with respect to the laws of any other jurisdiction or any effect that such laws may have on the opinions expressed herein; and (ii) are based upon the following assumptions:

i) the genuineness of all signatures, the conformity to the originals of all documents supplied to us as copies and the authenticity of the originals of such documents;

ii) the absence of any other arrangements between the parties to the documents referred to under item 4 above which modify or supersede any of their terms;

iii) the absence of any other corporate acts or decisions of the Brazilian Guarantor or its shareholders which modify or supersede the decisions evidenced by the documents described under items 4 (ii) to 4 (v) above;

iv) the due execution of the Indenture by all parties thereto other than the Brazilian Guarantor through duly authorized representatives; and

v) the validity of the Indenture and the Guarantees under, and their conformity with, the law chosen to govern them.

6. On the basis of such assumptions and subject to the reservations set out below, we are of the opinion that:

i) the Brazilian Guarantor is existing and in good standing under the laws of Brazil, with the corporate power and authority to enter into and perform its obligations under the Indenture and the Guarantees;

ii) the Indenture has been duly and validly authorized, executed and delivered by the Brazilian Guarantor;

iii) the Guarantees have been duly and validly authorized by the Brazilian Guarantor; and

iv) when the terms of the Notes and the Guarantees and of their issuance have been duly established in conformity with the Indenture and the Notes and Guarantees have been duly executed, authenticated, issued and delivered in accordance with the terms of the Indenture, the Guarantees will constitute valid and legally binding obligations of the Brazilian Guarantor, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

7. The opinions set forth above are, however, subject to the following reservations:

i) documents in a foreign language must be translated into Portuguese by a sworn translator in order to ensure their admission before courts in Brazil; in addition to said translation, foreign documents must (a) have the signatures of the parties thereto notarized by a notary public licensed as such under the law of the place of signing and the signature of such notary public must be authenticated by a consular official of Brazil and (b) be registered together with their sworn translation with a registrar of deeds and documents in Brazil;

ii) the laws of the State of New York would apply as the governing law of the Indenture and the Guarantees, provided that there was reasonable evidence acceptable to Brazilian courts that such documents have been executed in New York, and New York law is not against Brazilian national sovereignty, public policy or morality;

iii) in case of proceedings instituted against the Brazilian Guarantor in Brazil, certain court costs and deposits to guarantee judgment might be due; and

iv) any final judgment obtained against the Brazilian Guarantor in a foreign judicial or arbitration proceeding will be enforceable in the courts of Brazil if previously recognized by the Brazilian Superior Court of Justice, such recognition only occurring if (a) the judgment fulfills all formalities required for its enforceability under the laws of the country where the same was issued; (b) the service of process instituted against a Brazilian resident party is effected in accordance with Brazilian law; (c) the judgment was issued by a competent court after due service of process upon the parties to the action; (d) the judgment is not subject to appeal; (e) the judgment was authenticated by a Brazilian consulate in the country where the same was issued and is accompanied by a sworn translation of the same into Portuguese; and (f) the judgment is not against Brazilian national sovereignty, public policy or morality.

8. We express no opinion as to any agreement, instrument or other document not specified in this letter. We expressly disclaim any responsibility to advise with respect to any development, circumstance or change of any kind, including any change of law or fact which may occur after the date of this letter, even though such development, circumstance or change may affect the legal analysis, legal conclusion or any other matter

set forth in or relating to the opinion set out in this letter.

9. This letter is given solely for the purposes of our opinion regarding the Indenture and the Guarantees and for the information of the persons to whom it is addressed and their respective legal advisers, and may not be relied upon for any other purpose or by any other person.

10. We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and any reference to us under the heading "Legal Matters" in the prospectus forming a part of the Registration Statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Please do not hesitate to contact us in case you need any further clarification of the foregoing.

Yours faithfully,

/s/ Luiz Roberto de Assis

Levy & Salomão Advogados
by: Luiz Roberto de Assis

Exhibit 5.11

[Letterhead of Vieira de Almeida & Associados, RL]

September 11, 2009
Novelis Inc.
3399 Peachtree Road, NE, Suite 1500
Atlanta, Georgia 30326

Ladies and Gentlemen:

In connection with the registration under the U.S. Securities Act of 1933 (the "Securities Act") of (a) $185,000,000 principal amount of 11 1/2% Senior Notes due 2015 (the "Notes") of Novelis Inc., a corporation organized under the laws of Canada (the "Company"), to be issued in exchange for the Company's outstanding 11 1/2% Senior Notes due 2015 pursuant to an Indenture, dated as of August 11, 2009 (the "Indenture"), among the Company, the subsidiaries of the Company party thereto (collectively, the "Guarantors") and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), and (b) the Guarantees (the "Guarantees") of each of the Guarantors endorsed upon the Notes, we, as legal counsel, have examined such corporate records, certificates and other documents, and such questions of law, as we have considered necessary or appropriate for the purposes of this opinion.

Upon the basis of such examination, we advise you that, in our opinion, (1) Novelis Madeira, Unipessoal, Lda. has been duly organized and is an existing corporation under the laws of Portugal, (2) the Indenture has been duly authorized, executed and delivered by Novelis Madeira, Unipessoal, Lda., (3) the Guarantees have been duly authorized by Novelis Madeira, Unipessoal, Lda., and (4) when the terms of the Notes and the Guarantees and of their issuance have been duly established in conformity with the Indenture and the Notes and Guarantees have been duly executed, authenticated, issued and delivered in accordance with the terms of the Indenture, the Guarantees will constitute valid and legally binding obligations of Novelis Madeira, Unipessoal, Lda., subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

The foregoing opinion is limited to and given on the basis of the substantive laws of Portugal as in existence at the date hereof. We are expressing no opinion as to the effect of the laws of any other jurisdiction.

We have relied as to certain factual matters on information obtained from public officials, officers of the Company and the Guarantors and other sources believed by us to be responsible, and we have assumed that the Indenture has been duly authorized, executed and delivered by each of the parties thereto (except Novelis Madeira, Unipessoal Lda.), the Notes have been duly authorized by the Company, the Guarantees have been duly authorized by the Guarantors (except Novelis Madeira, Unipessoal Lda.) and that the Company and the Guarantors(except Novelis Madeira, Unipessoal Lda.) have been duly organized and are existing corporations in good standing under the laws of their respective jurisdictions of organizations, assumptions which we have not independently verified.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and any reference to us under the heading "Legal Matters" in the prospectus forming a

part of the Registration Statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Very truly yours,

/s/ Helena Vaz Pinto

Vieira de Almeida & Associados, RL

Sociedade de Advogados

Exhibit 12.1

Novelis Inc.
Computation of Ratio of Earnings to Fixed Charges

(In millions, except ratio amounts)	Year Ended December 31, 2004 *Combined*	Year Ended December 31, 2005 *Predecessor*	Year Ended December 31, 2006 *Predecessor*	Three Months Ended March 31, 2007 *Predecessor*	April 1, 2007 Through May 15, 2007 *Predecessor*	May 16, 2007 Through March 31, 2008 *Successor*	Year Ended March 31, 2009 *Successor*	Three Months Ended June 30, 2008 *Successor*	Three Months Ended June 30, 2009 *Successor*
EARNINGS BEFORE FIXED CHARGES:									
Net income (loss) from continuing operations before cumulative effect of accounting change and extraordinary items	$ 55	$ 96	$ (275)	$ (64)	$ (97)	$ (20)	$(1,910)	$ 24	$ 143
Less: Equity income of non-consolidated affiliates	(6)	(6)	(16)	(3)	(1)	(25)	172	2	10
Plus: Dividends received from non-consolidated affiliates	2	—	5	—	4	—	—	—	2
Plus: Noncontrolling interest of subsidiaries that have fixed charges	10	21	1	2	(1)	4	(12)	2	18
Earnings before fixed charges	$ 61	$ 111	$ (285)	$ (65)	$ (95)	$ (41)	$(1,750)	$ 28	$ 173
FIXED CHARGES:									
Amount representative of interest factor in rentals	$ 6	$ 7	$ 7	$ 1	$ 1	$ 9	$ 8	$ 3	$ 2
Interest expense and amortization of debt issuance costs	74	203	221	54	27	191	182	45	43
Interest expense from equity investees	2	(1)	1	—	—	(1)	—	—	—
Capitalized interests	1	1	2	—	—	—	—	—	—
Total fixed charges	83	210	231	55	28	199	190	48	45
Less: Capitalized interests	(1)	(1)	(2)	—	—	—	—	—	—
Fixed charges added to income (loss)	$ 82	$ 209	$ 229	$ 55	$ 28	$ 199	$ 190	$ 48	$ 45
Plus: Amortization of capitalized interest	6	7	9	1	(2)	—	—	—	—
Plus: Income taxes	166	107	(4)	7	4	73	(246)	35	112
Earnings before fixed charges and income taxes	$ 315	$ 434	$ (51)	$ (2)	$ (65)	$ 231	$(1,806)	$ 111	$ 330
RATIO OF EARNINGS TO FIXED CHARGES	3.8x	2.1x	(A)	(A)	(A)	1.2x	(A)	2.3x	7.3x

(A) Due to losses incurred, the ratio coverage was less than 1:1 for each of the periods presented below. The table below presents the amount of additional earnings required to bring the fixed charge ratio to 1:1 for each respective period.

(In millions)	Year Ended December 31, 2006 *Predecessor*	Three Months Ended March 31, 2007 *Predecessor*	April 1, 2007 Through May 15, 2007 *Predecessor*	Year Ended March 31, 2009 *Successor*
Additional earnings required to bring fixed charge ratio to 1:1	$ 280	$ 57	$ 93	$ 1,996

EXHIBIT 21.1

List of Subsidiaries of Novelis Inc.

Name of Entity	Jurisdiction of Organization
Novelis Corporation	Texas, United States
Novelis de Mexico S.A. de C.V.	Mexico
Novelis Brand LLC	Delaware, United States
Novelis PAE Corporation	Delaware, United States
Logan Aluminum Inc.	Delaware, United States
Novelis South America Holdings LLC	Delaware, United States
Aluminum Upstream Holdings LLC	Delaware, United States
MiniMRF LLC	Delaware, United States
Eurofoil Inc. (USA)	New York, United States
Novelis AG	Switzerland
Novelis Switzerland S.A.	Switzerland
Novelis Technology AG	Switzerland
Novelis Italia SpA	Italy
Novelis Europe Holdings Limited	United Kingdom
Novelis UK Ltd.	United Kingdom
Novelis Services Limited	United Kingdom
Novelis Automotive UK Ltd.	United Kingdom
Novelis Aluminium Holding Company	Ireland
Novelis Benelux NV	Belgium
Novelis Belgique S.A.	Belgium
Novelis Deutschland GmbH	Germany
Aluminium Norf GmbH	Germany
Novelis Aluminium Beteiligungs GmbH	Germany
Deutsche Aluminium Verpackung Recycling GmbH	Germany
Novelis Sweden AB	Sweden
Novelis Luxembourg S.A.	Luxembourg
Novelis Foil France S.A.S.	France
France Aluminium Recyclage S.A.	France
Novelis Laminés France S.A.S	France
Novelis PAE S.A.S.	France
4260848 Canada Inc.	Canada
4260856 Canada Inc.	Canada
Novelis Cast House Technology Ltd.	Canada
Novelis No. 1 Limited Partnership	Canada
Novelis Korea Ltd.	South Korea
Aluminium Company of Malaysia Berhad	Malaysia
Al Dotcom Sdn Berhad	Malaysia
Alcom Nikkei Specialty Coatings Sdn Berhad	Malaysia
Novelis do Brasil Ltda.	Brazil
Consorcio Candonga (unincorporated joint venture)	Brazil
Albrasilis — Alumínio do Brasil Indústria e Comércio Ltda.	Brazil
Novelis (India) Infotech Ltd.	India
Novelis Madeira, Unipessoal, Lda	Portugal
Evermore Recycling LLC	Delaware, United States

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the use in this Registration Statement on Form S-4 of Novelis Inc. of our reports dated June 29, 2009 (except with respect to the retrospective application of SFAS No. 160, as to which the date is August 5, 2009) relating to the financial statements and the effectiveness of internal control over financial reporting of Novelis Inc., which appear in such Registration Statement. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopersLLP

PricewaterhouseCoopers LLP
Atlanta, GA
September 11, 2009

Exhibit 25.1

FORM T-1

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE
PURSUANT TO SECTION 305(b)(2) |__|

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
(Exact name of trustee as specified in its charter)

(State of incorporation if not a U.S. national bank)	**95-3571558** (I.R.S. employer identification no.)
700 S. Flower Street 2nd Floor Los Angeles, California (Address of principal executive offices)	**90017-4104** (Zip code)

The Bank of New York Mellon Trust Company, N.A.
900 Ashwood Parkway — Suite 425
Atlanta, GA 30338
Attn: Lee Ann Willis
(770) 698-5131
(Name, address, and telephone number of agent for service)

Novelis Inc.
(Exact name of obligor as specified in its charter)

Canada (State or other jurisdiction of incorporation or organization)	**98-0442987** (I.R.S. employer identification no.)
3399 Peachtree Road NE, Suite 1500 Atlanta, Georgia (Address of principal executive offices)	**30326** (Zip code)

Debt Securities
(Title of the indenture securities)

(1) See Table 1 — List of Additional Obligors

TABLE 1

Guarantor*	State of Incorporation or Formation	Primary Standard Industrial Classification Number	IRS Employer Identification Number
Novelis Corporation	Texas	3350	41-2098321
Eurofoil Inc. (USA)	New York	3350	13-3783544
Novelis PAE Corporation	Delaware	3350	36-4266108
Aluminum Upstream Holdings LLC	Delaware	3350	20-5137700
Novelis Brand LLC	Delaware	3350	26-0442201
Novelis South America Holdings LLC	Delaware	3350	20-5137684
Novelis Cast House Technology Ltd.	Canada	3350	Not Applicable
Novelis No. 1 Limited Partnership	Canada	3350	Not Applicable
4260848 Canada Inc.	Canada	3350	Not Applicable
4260856 Canada Inc.	Canada	3350	Not Applicable
Novelis Europe Holdings Ltd.	United Kingdom	3350	Not Applicable
Novelis UK Ltd.	United Kingdom	3350	Not Applicable
Novelis Services Limited	United Kingdom	3350	Not Applicable
Novelis do Brasil Ltda.	Brazil	3350	Not Applicable
Novelis AG	Switzerland	3350	Not Applicable
Novelis Switzerland S.A.	Switzerland	3350	Not Applicable
Novelis Technology AG	Switzerland	3350	Not Applicable
Novelis Aluminium Holding Company	Ireland	3350	Not Applicable
Novelis Deutschland GmbH	Germany	3350	Not Applicable

Guarantor*	State of Incorporation or Formation	Primary Standard Industrial Classification Number	IRS Employer Identification Number
Novelis Luxembourg S.A.	Luxembourg	3350	Not Applicable
Novelis PAE S.A.S.	France	3350	Not Applicable

* Address and telephone number of principal executive offices are the same as those of Novelis Inc.

1. General information. Furnish the following information as to the trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Comptroller of the Currency United States Department of the Treasury	**Washington, D.C. 20219**
Federal Reserve Bank	**Atlanta, Georgia 30309**
Federal Deposit Insurance Corporation	**Washington, D.C. 20429**

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act") and 17 C.F.R. 229.10(d).

1. A copy of the articles of association, as amended, of The Bank of New York Mellon Trust Company, N.A. formerly know as of The Bank of New York Trust Company, N.A. (Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121948 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152875).
2. A copy of certificate of authority of the trustee to commence business. (Exhibit 2 to Form T-1 filed with Registration Statement No. 333-121948).
3. A copy of the authorization of the trustee to exercise corporate trust powers. (Exhibit 3 to Form T-1 filed with Registration Statement No. 333-152875).
4. A copy of the existing by-laws of the trustee. (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-152875).
6. The consent of the trustee required by Section 321(b) of the Act. (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-152875).
7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the trustee, The Bank of New York Mellon Trust Company, N.A., a corporation organized and existing under the laws of the United States of America, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of Atlanta, and State of Georgia, on the 11th day of September, 2009.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.
By: /s/ Lee Ann Willis
Name: Lee Ann Willis
Title: Senior Associate

EXHIBIT 7

Consolidated Report of Condition of
THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
of 700 South Flower Street, Suite 200, Los Angeles, CA 90017

At the close of business June 30, 2009, published in accordance with Federal regulatory authority instructions.

		Dollar Amounts in Thousands
ASSETS		
Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin		4,627
Interest-bearing balances		111,263
Securities:		
Held-to-maturity securities		22
Available-for-sale securities		492,259
Federal funds sold and securities purchased under agreements to resell:		
Federal funds sold		0
Securities purchased under agreements to resell		0
Loans and lease financing receivables:		
Loans and leases held for sale		0
Loans and leases, net of unearned income	0	
LESS: Allowance for loan and lease losses	0	
Loans and leases, net of unearned income and allowance		0
Trading assets		0
Premises and fixed assets (including capitalized leases)		11,783
Other real estate owned		0
Investments in unconsolidated subsidiaries and associated companies		1
Direct and indirect investments in real estate ventures		0
Intangible assets:		
Goodwill		876,153
Other intangible assets		258,262
Other assets		157,588
Total assets		$ 1,911,958

		Dollar Amounts in Thousands
LIABILITIES		
Deposits:		
In domestic offices		599
Noninterest-bearing	599	
Interest-bearing	0	
Not applicable		
Federal funds purchased and securities sold under agreements to repurchase:		
Federal funds purchased		0
Securities sold under agreements to repurchase		0
Trading liabilities		0
Other borrowed money:		
(includes mortgage indebtedness and obligations under capitalized leases)		268,691
Not applicable		
Not applicable		
Subordinated notes and debentures		0
Other liabilities		195,831
Total liabilities		465,121
Not Applicable		
EQUITY CAPITAL		
Perpetual preferred stock and related surplus		0
Common stock		1,000
Surplus (exclude all surplus related to preferred stock)		1,121,520
Not Applicable		
Retained earnings		321,726
Accumulated other comprehensive income		2,591
Other equity capital components		0
Not Available		
Total bank equity capital		1,446,837
Noncontrolling (minority) interests in consolidated subsidiaries		0
Total equity capital		1,446,837
Total liabilities and equity capital		1,911,958

I, Karen Bayz, Vice President of the above-named bank do hereby declare that the Reports of Condition and Income (including the supporting schedules) for this report date have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true to the best of my knowledge and belief.

Karen Bayz) Managing Director

We, the undersigned directors (trustees), attest to the correctness of the Report of Condition (including the supporting schedules) for this report date and declare that it has been examined by us and to the best of our knowledge and belief has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true and correct.

Troy Kilpatrick, MD)
Frank P. Sulzberger, MD) Directors (Trustees)
William D. Lindelof, VP)

THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2009 UNLESS EXTENDED (THE "EXPIRATION DATE"). TENDERS MAY BE WITHDRAWN PRIOR TO 5:00 P.M., NEW YORK CITY TIME, ON THE EXPIRATION DATE.

Novelis Inc.

3399 Peachtree Road NE, Suite 1500,
Atlanta, Georgia 30326

LETTER OF TRANSMITTAL

for
11 1/2% Senior Notes of Novelis Inc. due 2015
Guaranteed by

Novelis Corporation
Eurofoil Inc. (USA)
Novelis PAE Corporation
Aluminum Upstream Holdings LLC
Novelis Brand LLC
Novelis South America Holdings LLC
Novelis Cast House Technology Ltd.
Novelis No. 1 Limited Partnership
4260848 Canada Inc.
4260856 Canada Inc.
Novelis Europe Holdings Ltd.
Novelis UK Ltd.
Novelis Services Limited
Novelis do Brasil Ltda.
Novelis AG
Novelis Switzerland S.A.
Novelis Technology AG
Novelis Aluminium Holding Company
Novelis Deutschland GmbH
Novelis Luxembourg S.A.
Novelis PAE S.A.S.
Novelis Madeira, Unipessoal, Lda

Exchange Agent:

The Bank of New York Mellon Trust Company, N.A.

By Facsimile:
212-298-1915
Confirm by Telephone:
212-815-3738

By Mail, Hand or Courier:

The Bank of New York Mellon
Corporate Trust Operations
Reorganization Unit
101 Barclay Street — 7 East
New York, NY 10286
Attn: Mrs. Evangeline R. Gonzales

For information on other offices or agencies of the Exchange Agent where Old Notes may be presented for exchange, please call the telephone number listed above.

Delivery of this instrument to an address other than as set forth above does not constitute a valid delivery.

PLEASE READ THE ENTIRE LETTER OF TRANSMITTAL, INCLUDING THE INSTRUCTIONS TO THIS LETTER, CAREFULLY BEFORE CHECKING ANY BOX BELOW

Capitalized terms used in this Letter of Transmittal and not defined herein shall have the respective meanings ascribed to them in the Prospectus.

List in Box 1 below the Old Notes of which you are the holder. If the space provided in Box 1 is inadequate, list the certificate numbers and principal amount at maturity of Old Notes on a separate signed schedule and affix that schedule to this Letter of Transmittal.

BOX 1
TO BE COMPLETED BY ALL TENDERING HOLDERS

Name(s) and Address(es) of Registered Holder(s) (Please fill in if Blank)	Certificate Number(s)(1)	Principal Amount of Old Notes	Principal Amount of Old Notes Tendered(2)
	Totals:		

(1) Need not be completed if Old Notes are being tendered by book-entry transfer.
(2) Unless otherwise indicated, the entire principal amount of Old Notes represented by a certificate or Book-Entry Confirmation delivered to the Exchange Agent will be deemed to have been tendered.

The undersigned acknowledges receipt of (i) the Prospectus, dated , 2009 (the "Prospectus"), of Novelis Inc. (the "Issuer") and Novelis Corporation, Eurofoil Inc. (USA), Novelis PAE Corporation, Aluminum Upstream Holdings LLC, Novelis Brand LLC, Novelis South America Holdings LLC, Novelis Cast House Technology Ltd., Novelis No. 1 Limited Partnership, 4260848 Canada Inc., 4260856 Canada Inc., Novelis Europe Holdings Ltd., Novelis UK Ltd., Novelis Services Limited, Novelis do Brasil Ltda., Novelis AG, Novelis Switzerland S.A., Novelis Technology AG, Novelis Aluminium Holding Company, Novelis Deutschland GmbH, Novelis Luxembourg S.A., Novelis PAE S.A.S., Novelis Madeira, Unipessoal, Lda (together, the "Guarantors") and (ii) this Letter of Transmittal, which may be amended from time to time (as amended, this "Letter"), which together constitute the offer of the Issuer and the Guarantors (the "Exchange Offer") to exchange new 11 1/2% Senior Notes due 2015 (the "New Notes") that have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for a like principal amount of the Issuer's outstanding 11 1/2% Senior Notes due 2015 (the "Old Notes"). The Old Notes were issued and sold in transactions exempt from registration under the Securities Act.

The undersigned has completed, executed and delivered this Letter to indicate the action he or she desires to take with respect to the Exchange Offer.

All holders of Old Notes who wish to tender their Old Notes must, on or prior to the Expiration Date: (1) complete, sign, date and mail or otherwise deliver this Letter or a facsimile of this Letter to the Exchange Agent, in person or at the address set forth above; and (2) tender his or her Old Notes or, if a tender of Old Notes is to be made by book-entry transfer to the account maintained by the Exchange Agent at The Depository Trust Company (the "Book-Entry Transfer Facility"), confirm such book-entry transfer (a "Book-Entry Confirmation"), in accordance with the procedures for tendering described in the Instructions to this Letter. Holders of Old Notes whose certificates are not immediately available, or who are unable to deliver their certificates or Book-Entry Confirmation and all other documents required by this Letter to be delivered to the Exchange Agent on or prior to the Expiration Date, must tender their Old Notes according to the guaranteed delivery procedures set forth under the caption "The Exchange Offer — Guaranteed Delivery Procedures" in the Prospectus. (See Instruction 1)

Notwithstanding anything contained in this Letter, or in the related notice of guaranteed delivery, tenders can only be made through ATOP by DTC participants and Letters can only be accepted by means of an Agent's Message.

The Instructions included with this Letter must be followed in their entirety. Questions and requests for assistance or for additional copies of the Prospectus or this Letter may be directed to the Exchange Agent, at the address listed above.

Ladies and Gentlemen:

Upon the terms and subject to the conditions of the Exchange Offer, the undersigned tenders to the Issuer and the Guarantors the principal amount of Old Notes indicated above. Subject to, and effective upon, the acceptance for exchange of the Old Notes tendered with this Letter, the undersigned exchanges, assigns and transfers to, or upon the order of, the Issuer and the Guarantors, all right, title and interest in and to the Old Notes tendered.

The undersigned constitutes and appoints the Exchange Agent as his or her agent and attorney-in-fact (with full knowledge that the Exchange Agent also acts as the agent of the Issuer and the Guarantors) with respect to the tendered Old Notes, with full power of substitution, to: (a) deliver certificates for such Old Notes; (b) deliver Old Notes and all accompanying evidence of transfer and authenticity to or upon the order of the Issuer upon receipt by the Exchange Agent, as the undersigned's agent, of the New Notes to which the undersigned is entitled upon the acceptance by the Issuer and the Guarantors of the Old Notes tendered under the Exchange Offer; and (c) receive all benefits and otherwise exercise all rights of beneficial ownership of the Old Notes, all in accordance with the terms of the Exchange Offer. The power of attorney granted in this paragraph shall be deemed irrevocable and coupled with an interest.

The undersigned hereby represents and warrants that he or she has full power and authority to tender, exchange, assign and transfer the Old Notes tendered hereby and to acquire New Notes issuable upon exchange of the tendered Old Notes, and that, when the tendered Old Notes are accepted for exchange, the Issuer and the Guarantors will acquire good and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claims. The undersigned will, upon request, execute and deliver any additional documents deemed by the Issuer to be necessary or desirable to complete the exchange, assignment and transfer of the Old Notes tendered.

The undersigned agrees that acceptance of any tendered Old Notes by the Issuer and the Guarantors and the issuance of New Notes in exchange therefor shall constitute performance in full by the Issuer and Guarantors of their respective obligations under the registration rights agreement that the Issuer and Guarantors entered into with the initial purchasers of the Old Notes (the "Registration Rights Agreement") and that, upon the issuance of the New Notes, the Issuer and Guarantors will have no further obligations or liabilities under the Registration Rights Agreement (except in certain limited circumstances). By tendering Old Notes, the undersigned certifies that (i) any New Notes received by it will be acquired in the ordinary course of its business, (ii) it has no arrangement or understanding with any person or entity to participate in a distribution (within the meaning of the Securities Act) of the New Notes, (iii) it is not an "affiliate" (within the meaning of Rule 405 under the Securities Act) of the Issuer or the Guarantors nor is it a broker-dealer that acquired Old Notes directly from such persons or, if it is an affiliate (as so defined) of such persons or a broker-dealer that acquired Old Notes directly from such persons, it will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable, and (iv) if it is not a broker-dealer, it is not engaged in, and does not intend to engage in, a distribution of the New Notes.

The undersigned acknowledges that, if it is a broker-dealer that will receive New Notes in exchange for Old Notes that were acquired for its own account as a result of market-making activities or other trading activities, it will deliver a prospectus in connection with any resale of such New Notes. By so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

The undersigned understands that the Issuer and the Guarantors may accept the undersigned's tender by delivering written notice of acceptance to the Exchange Agent, at which time the undersigned's right to withdraw such tender will terminate.

All authority conferred or agreed to be conferred by this Letter shall survive the death or incapacity of the undersigned, and every obligation of the undersigned under this Letter shall be binding upon the undersigned's heirs, legal representatives, successors, assigns, executors and administrators of the undersigned. Tenders may be withdrawn only in accordance with the procedures set forth in the Instructions included with this Letter.

Unless otherwise indicated under "Special Delivery Instructions" below, the Exchange Agent will deliver New Notes (and, if applicable, a certificate for any Old Notes not tendered but represented by a certificate also encompassing Old Notes which are tendered) to the undersigned at the address set forth in Box 1.

The undersigned acknowledges that the Exchange Offer is subject to the more detailed terms set forth in the Prospectus and, in case of any conflict between the terms of the Prospectus and this Letter, the Prospectus shall prevail.

o **CHECK HERE IF TENDERED OLD NOTES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER MADE TO THE ACCOUNT MAINTAINED BY THE EXCHANGE AGENT WITH THE BOOK-ENTRY TRANSFER FACILITY AND COMPLETE THE FOLLOWING:**

Name of Tendering Institution: _____

Account Number: _____

Transaction Code Number: _____

o **CHECK HERE IF TENDERED OLD NOTES ARE BEING DELIVERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE EXCHANGE AGENT AND COMPLETE THE FOLLOWING:**

Name(s) of Registered Owner(s): _____

Date of Execution of Notice of Guaranteed Delivery: _____

Window Ticket Number (if available): _____

Name of Institution which Guaranteed Delivery: _____

o **CHECK HERE IF YOU ARE AN "AFFILIATE" (WITHIN THE MEANING OF RULE 405 UNDER THE SECURITIES ACT) OF THE ISSUER OR THE GUARANTORS.**

Name: _____

o **CHECK HERE IF YOU ARE A BROKER-DEALER OR AN "AFFILIATE" (WITHIN THE MEANING OF RULE 405 UNDER THE SECURITIES ACT) OF THE ISSUER OR THE GUARANTORS AND WISH TO RECEIVE 10 ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO.**

Name: _____

Address: _____

PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY
BOX 2

PLEASE SIGN HERE
WHETHER OR NOT OLD NOTES ARE BEING
PHYSICALLY TENDERED HEREBY

X _____ _____

X _____ _____

(Signature(s) of Owner(s) or Authorized Signatory) **(Date)**

Area Code and Telephone Number: _____

This box must be signed by registered holder(s) of Old Notes as their name(s) appear(s) on certificate(s) for Old Notes, or by person(s) authorized to become registered holder(s) by endorsement and documents transmitted with this Letter. If signature is by a trustee, executor, administrator, guardian, officer or other person acting in a fiduciary or representative capacity, such person must set forth his or her full title below. (See Instruction 3)

Name(s): _____
(Please Print)

Capacity: _____

Address(es): _____

_____
(Include Zip Code)

Signature(s) Guaranteed
by an Eligible Institution:
(If required by Instruction 3) _____
(Authorized Signature)

_____
(Title)

_____
(Name of Firm)

BOX 3

SPECIAL ISSUANCE INSTRUCTIONS
(See Instructions 3 and 4)

To be completed ONLY if certificates for Old Notes in a principal amount not exchanged, or New Notes, are to be issued in the name of someone other than the person whose signature appears in Box 2, or if Old Notes delivered by book-entry transfer which are not accepted for exchange are to be returned by credit to an account maintained at the Book-Entry Transfer Facility other than the account indicated above.

Issue and deliver:

(check appropriate boxes)

o Old Notes not tendered

o New Notes, to:

Name(s): _____
(Please Print)

Address(es): _____

TIN or Social Security Number: _____

BOX 4

SPECIAL DELIVERY INSTRUCTIONS
(See Instructions 3 and 4)

To be completed ONLY if certificates for Old Notes in a principal amount not exchanged, or New Notes, are to be sent to someone other than the person whose signature appears in Box 2 or to an address other than that shown in Box 1.

Deliver:

(check appropriate boxes)

o Old Notes not Tendered

o New Notes, to:

Name(s): _____
(Please Print)

Address(es): _____

_____

INSTRUCTIONS

FORMING PART OF THE TERMS AND CONDITIONS OF THE EXCHANGE OFFER

1. *Delivery of this Letter and Certificates.* Certificates for Old Notes or a Book-Entry Confirmation, as the case may be, as well as a properly completed and duly executed copy of this Letter and any other documents required by this Letter, must be received by the Exchange Agent at its address set forth herein on or before the Expiration Date. The method of delivery of this Letter, certificates for Old Notes or a Book-Entry Confirmation, as the case may be, and any other required documents is at the election and risk of the tendering holder, but except as otherwise provided below, the delivery will be deemed made when actually received by the Exchange Agent. If delivery is by mail, the use of registered mail with return receipt requested, properly insured, is suggested.

Holders whose Old Notes are not immediately available or who cannot deliver their Old Notes or a Book-Entry Confirmation, as the case may be, and all other required documents to the Exchange Agent on or before the Expiration Date may tender their Old Notes pursuant to the guaranteed delivery procedures set forth in the Prospectus. Pursuant to such procedure: (i) tender must be made by or through a bank, broker, dealer, credit union, savings association or other entity which is a member in good standing of a recognized signature medallion program approved by the Securities Transfer Association Inc., including the Securities Transfer Agents Medallion Program (STAMP), the Stock Exchange Medallion Program (SEMP) and the New York Stock Exchange Medallion Program (MSP), or any other "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended (an "Eligible Institution"); (ii) on or prior to the Expiration Date, the Exchange Agent must have received from the Eligible Institution a properly completed and duly executed Notice of Guaranteed Delivery (by telegram, facsimile transmission, mail or hand delivery) (x) setting forth the name and address of the holder, the names in which the Old Notes are registered, the principal amount of Old Notes tendered and, if possible, the certificate numbers of the Old Notes to be tendered, (y) stating that the tender is being made thereby and (z) guaranteeing that within three New York Stock Exchange trading days after the date of execution of such Notice of Guaranteed Delivery, the Old Notes, in proper form for transfer, will be delivered by the Eligible Institution together with this Letter, properly completed and duly executed, and any other required documents to the Exchange Agent; and (iii) the certificates for all tendered Old Notes or a Book-Entry Confirmation, as the case may be, as well as all other documents required by this Letter, must be received by the Exchange Agent within three New York Stock Exchange trading days after the date of execution of such Notice of Guaranteed Delivery, all as provided in the Prospectus under the caption "The Exchange Offer — Guaranteed Delivery Procedures."

All questions as to the validity, form, eligibility (including time of receipt), acceptance and withdrawal of tendered Old Notes will be determined by the Issuer, whose determination will be final and binding. The Issuer reserves the absolute right to reject any or all tenders that are not in proper form or the acceptances for exchange of which may, in the opinion of counsel to the Issuer, be unlawful. The Issuer also reserves the right to waive any of the conditions of the Exchange Offer or any defects or irregularities in tenders of any particular holder of Old Notes whether or not similar defects or irregularities are waived in the cases of other holders of Old Notes. All tendering holders, by execution of this Letter, waive any right to receive notice of acceptance of their Old Notes.

None of the Issuer, the Guarantors, the Exchange Agent nor any other person shall be obligated to give notice of defects or irregularities in any tender, nor shall any of them incur any liability for failure to give any such notice.

2. *Partial Tenders; Withdrawals.* If less than the entire principal amount of any Old Note evidenced by a submitted certificate or by a Book-Entry Confirmation is tendered, the tendering holder must fill in the principal amount tendered in the fourth column of Box 1 above. All of the Old Notes represented by a certificate or by a Book-Entry Confirmation delivered to the Exchange Agent will be deemed to have been tendered unless otherwise indicated. A certificate for Old Notes not tendered will be sent to the holder, unless otherwise provided in Box 4, as soon as practicable after the Expiration Date, in the event that less than the entire principal amount of Old Notes represented by a submitted certificate is tendered (or, in the case of Old Notes tendered by book-entry transfer, such non-exchanged Old Notes will be credited to an account maintained by the holder with the Book-Entry Transfer Facility).

If not yet accepted, a tender pursuant to the Exchange Offer may be withdrawn at any time prior to 5:00 p.m., New York City time, on the Expiration Date. To be effective with respect to the tender of Old Notes, a written or facsimile transmission notice of withdrawal must: (i) be received by the Exchange Agent at its address set forth above before 5:00 p.m., New York

City time, on the Expiration Date; (ii) specify the person named in the applicable letter of transmittal as having tendered Old Notes to be withdrawn; (iii) specify the certificate numbers of Old Notes to be withdrawn; (iv) specify the principal amount of Old Notes to be withdrawn, which must be an authorized denomination; (v) state that the holder is withdrawing its election to have those Old Notes exchanged; (vi) state the name of the registered holder of those Old Notes; and (vii) be signed by the holder in the same manner as the signature on the applicable letter of transmittal, including any required signature guarantees, or be accompanied by evidence satisfactory to the Issuer that the person withdrawing the tender has succeeded to the beneficial ownership of the Old Notes being withdrawn.

3. *Signatures on this Letter; Assignments; Guarantee of Signatures.* If this Letter is signed by the holder(s) of Old Notes tendered hereby, the signature must correspond with the name(s) as written on the face of the certificate(s) for such Old Notes, without alteration, enlargement or any change whatsoever.

If any of the Old Notes tendered hereby are owned by two or more joint owners, all owners must sign this Letter. If any tendered Old Notes are held in different names on several certificates, it will be necessary to complete, sign and submit as many separate copies of this Letter as there are names in which certificates are held.

If this Letter is signed by the holder of record and (i) the entire principal amount of the holder's Old Notes are tendered; and/or (ii) untendered Old Notes, if any, are to be issued to the holder of record, then the holder of record need not endorse any certificates for tendered Old Notes, nor provide a separate bond power. If any other case, the holder of record must transmit a separate bond power with this Letter.

If this Letter or any certificate or assignment is signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing and proper evidence satisfactory to the Issuer of their authority to so act must be submitted, unless waived by the Issuer.

Signatures on this Letter must be guaranteed by an Eligible Institution, unless Old Notes are tendered: (i) by a holder who has not completed the Box entitled "Special Issuance Instructions" or "Special Delivery Instructions" on this Letter; or (ii) for the account of an Eligible Institution. In the event that the signatures in this Letter or a notice of withdrawal, as the case may be, are required to be guaranteed, such guarantees must be by an Eligible Institution which is a member of The Securities Transfer Agents Medallion Program (STAMP), The New York Stock Exchanges Medallion Signature Program (MSP) or The Stock Exchanges Medallion Program (SEMP). If Old Notes are registered in the name of a person other than the signer of this Letter, the Old Notes surrendered for exchange must be endorsed by, or be accompanied by a written instrument or instruments of transfer or exchange, in satisfactory form as determined by the Issuer, in its sole discretion, duly executed by the registered holder with the signature thereon guaranteed by an Eligible Institution.

4. *Special Issuance and Delivery Instructions.* Tendering holders should indicate, in Box 3 or 4, as applicable, the name and address to which the New Notes or certificates for Old Notes not exchanged are to be issued or sent, if different from the name and address of the person signing this Letter. In the case of issuance in a different name, the tax identification number of the person named must also be indicated. Holders tendering Old Notes by book-entry transfer may request that Old Notes not exchanged be credited to such account maintained at the Book-Entry Transfer Facility as such holder may designate.

5. *Transfer Taxes.* The Issuer and/or the Guarantors will pay all transfer taxes, if any, applicable to the transfer of Old Notes to them or their order pursuant to the Exchange Offer. If, however, the New Notes or certificates for Old Notes not exchanged are to be delivered to, or are to be issued in the name of, any person other than the record holder, or if tendered certificates are recorded in the name of any person other than the person signing this Letter, or if a transfer tax is imposed for any reason other than the transfer of Old Notes to the Issuer and the Guarantors or their order pursuant to the Exchange Offer, then the amount of such transfer taxes (whether imposed on the record holder or any other person) will be payable by the tendering holder. If satisfactory evidence of payment of taxes or exemption from taxes is not submitted with this Letter, the amount of transfer taxes will be billed directly to the tendering holder.

Except as provided in this Instruction 5, it will not be necessary for transfer tax stamps to be affixed to the certificates listed in this Letter.

6. *Waiver of Conditions.* The Issuer reserves the absolute right to amend or waive any of the specified conditions in the Exchange Offer in the case of any Old Notes tendered.

7. *Mutilated, Lost, Stolen or Destroyed Certificates.* Any holder whose certificates for Old Notes have been mutilated, lost, stolen or destroyed should contact the Exchange Agent at the address indicated above for further instructions.

8. *Requests for Assistance or Additional Copies.* Questions relating to the procedure for tendering, as well as requests for additional copies of the Prospectus or this Letter, may be directed to the Exchange Agent.

IMPORTANT: This Letter (together with certificates representing tendered Old Notes or a Book-Entry Confirmation and all other required documents) must be received by the Exchange Agent on or before the Expiration Date of the Exchange Offer (as described in the Prospectus).

NOVELIS INC.

Exchange Offer
to holders of its

11 1/2% Senior Notes due 2015

NOTICE OF GUARANTEED DELIVERY

As set forth in (i) the Prospectus, dated , 2009 (the "Prospectus"), of Novelis Inc. (the "Issuer") and Novelis Corporation, Eurofoil Inc. (USA), Novelis PAE Corporation, Aluminum Upstream Holdings LLC, Novelis Brand LLC, Novelis South America Holdings LLC, Novelis Cast House Technology Ltd., Novelis No. 1 Limited Partnership, 4260848 Canada Inc., 4260856 Canada Inc., Novelis Europe Holdings Ltd., Novelis UK Ltd., Novelis Services Limited, Novelis do Brasil Ltda., Novelis AG, Novelis Switzerland S.A., Novelis Technology AG, Novelis Aluminium Holding Company, Novelis Deutschland GmbH, Novelis Luxembourg S.A., Novelis PAE S.A.S., Novelis Madeira, Unipessoal, Lda (together, the "Guarantors") under "The Exchange Offer — Exchange Offer Procedures" and (ii) the Letter of Transmittal (the "Letter of Transmittal") relating to the offer by the Issuer and the Guarantors to exchange up to $185,000,000 in principal amount of the Issuer's new 11 1/2% Senior Notes due 2015 for $185,000,000 in principal amount of the Issuer's 11 1/2% Senior Notes due 2015 (the "Old Notes"), which Old Notes were issued and sold in transactions exempt from registration under the Securities Act of 1933, as amended, this form or one substantially equivalent hereto must be used to accept the offer of the Issuer and the Guarantors if: (i) certificates for the Old Notes are not immediately available or (ii) time will not permit all required documents to reach the Exchange Agent (as defined below) on or prior to the expiration date of the Exchange Offer (as defined below and as described in the Prospectus). Such form may be delivered by telegram, facsimile transmission, mail or hand to the Exchange Agent.

To: The Bank of New York Mellon Trust Company, N.A. (the "Exchange Agent")

By Facsimile:
212-298-1915

Confirm by Telephone:
212-815-3738

By Mail, Hand or Courier:

The Bank of New York Mellon
Corporate Trust Operations
Reorganization Unit
101 Barclay Street — 7 East
New York, NY 10286
Attn: Mrs. Evangeline R. Gonzales

For information on other offices or agencies of the Exchange Agent where Old Notes may be presented for exchange, please call the telephone number listed above.

Delivery of this instrument to an address other than as set forth above or as indicated upon contacting the Exchange Agent at the telephone number set forth above, or transmittal of this instrument to a facsimile number other than as set forth above or as indicated upon contacting the Exchange Agent at the telephone number set forth above, does not constitute a valid delivery.

Notwithstanding anything contained in this Notice of Guaranteed Delivery or in the related Letter of Transmittal, tenders can only be made through ATOP by DTC participants and Letters of Transmittal can only be accepted by means of an Agent's Message.

Ladies and Gentlemen:

The undersigned hereby tenders to the Issuer and the Guarantors, upon the terms and conditions set forth in the Prospectus and the Letter of Transmittal (which together constitute the "Exchange Offer"), receipt of which are hereby acknowledged, the principal amount of Old Notes set forth below pursuant to the guaranteed delivery procedure described in the Prospectus and the Letter of Transmittal.

Principal Amount of Old Notes Tendered: _____

Certificate Nos. (if available):

_____

Total Principal Amount Represented by Old Notes Certificate(s):

_____

Account Number:

_____

Name(s) in which Old Notes Registered:

_____

Date: _____

Sign Here

Signature (s): _____

_____

Please Print the Following Information

Name (s): _____

_____

Address (es): _____

_____

Area Code and Tel. No (s).: _____

_____

GUARANTEE

The undersigned, a bank, broker, dealer, credit union, savings association or other entity which is a member in good standing of a recognized signature medallion program approved by the Securities Transfer Association Inc., including the Securities Transfer Agents Medallion Program (STAMP), the Stock Exchange Medallion Program (SEMP) and the New York Stock Exchange Medallion Program (MSP), or any other "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended, hereby guarantees delivery to the Exchange Agent of certificates tendered hereby, in proper form for transfer, or delivery of such certificates pursuant to the procedure for book-entry transfer, in either case with delivery of a properly completed and duly executed Letter of Transmittal (or facsimile thereof) and any other required documents, is being made within three New York Stock Exchange trading days after the date of execution of a Notice of Guaranteed Delivery of the above-named person.

Name of Firm: _____

Authorized Signature: _____

Number and Street or P.O. Box: _____

City: _____ State: _____ Zip Code: _____

Area Code and Tel. No.: _____

Dated: