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

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): August 9, 2011

NOVELIS INC.

(Exact name of Registrant as specified in its charter)

Canada	001-32312	98-0442987
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)
3560 Lenox Road, Suite 2000, Atlanta, GA		30326
(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code (404) 814-4200

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operations and Financial Condition.

The following information is furnished pursuant to Item 2.02, "Results of Operations and Financial Condition." Consequently, it is not deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liabilities of that section. It may only be incorporated by reference in another filing under the Securities Exchange Act of 1934 or Securities Act of 1933 if such subsequent filing specifically references this Form 8-K. On August 9, 2011, Novelis Inc. issued a press release reporting the company's financial results for its fiscal quarter ended June 30, 2011. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated by reference herein in its entirety. A copy of investor presentation materials relating to such financial results is attached hereto as Exhibit 99.2 and is incorporated by reference herein in its entirety. The presentation materials use the following non-GAAP financial measures: EBITDA, Adjusted EBITDA, Adjusted Pre-Tax Income (Loss) Excluding Certain Items, Free Cash Flow and Total Liquidity.

EBITDA and Adjusted EBITDA. EBITDA consists of earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA further adjusts EBITDA for unrealized (gains) losses on change in fair value of derivative instruments, impairment of goodwill, gains (losses) on extinguishment of debt, adjustment to include proportional consolidation, restructuring charges and certain other costs. EBITDA and Adjusted EBITDA are measures commonly used in the company's industry, and the company presents EBITDA and Adjusted EBITDA to enhance investors' understanding of the company's operating performance. Novelis believes that EBITDA and Adjusted EBITDA are operating performance measures, and not liquidity measures, that provide investors and analysts with a measure of operating results unaffected by differences in capital structures, capital investment cycles and ages of related assets among otherwise comparable companies.

However, EBITDA and Adjusted EBITDA are not measurements of financial performance under GAAP, and the company's EBITDA and Adjusted EBITDA may not be comparable to similarly titled measures of other companies. EBITDA and Adjusted EBITDA have important limitations as an analytical tool, and investors should not consider them in isolation, or as a substitute for analysis of the company's results as reported under GAAP. For example, EBITDA and Adjusted EBITDA:

- do not reflect the company's cash expenditures or requirements for capital expenditures or capital commitments;
- do not reflect changes in, or cash requirements for, the company's working capital needs; and
- do not reflect any costs related to the current or future replacement of assets being depreciated and amortized.

Management believes that investors' understanding of the company's performance is enhanced by including these non-GAAP financial measures as a reasonable basis for comparing the company's ongoing results of operations. Many investors are interested in understanding the performance of the company's business by comparing its results from ongoing operations from one period to the next and would ordinarily add back items that are not part of normal day-to-day operations of the company's business. By providing these non-GAAP financial measures, together with reconciliations, the company believes it is enhancing investors' understanding of its business and its results of operations, as well as assisting investors in evaluating how well it is executing strategic initiatives.

Additionally, a form of adjusted EBITDA, defined in the company's senior secured credit facilities, 8.375% senior notes and 8.75% senior notes, is used for debt covenant compliance purposes, which has additional adjustments to Adjusted EBITDA which may decrease or increase adjusted EBITDA for purposes of these financial covenants.

The company also uses EBITDA and Adjusted EBITDA:

- as measures of operating performance to assist the company in comparing its operating performance on a consistent basis because it removes the impact of items not directly resulting from the company's core operations;
- for planning purposes, including the preparation of the company's internal annual operating budgets and financial projections;
- to evaluate the performance and effectiveness of the company operational strategies; and
- to calculate incentive compensation payments for the company's key employees.

Free Cash Flow. Free Cash Flow consists of: (a) net cash provided by (used in) operating activities; (b) plus net cash provided by (used in) investing activities and (c) less 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 is not a measurement of financial

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performance or liquidity under GAAP and does not necessarily represent cash available for discretionary activities, as certain debt service obligations must be funded out of Free Cash Flow. In addition, the company's method of calculating Free Cash Flow may not be consistent with that of other companies.

Adjusted Pre-Tax Income (Loss) Excluding Certain Items. Adjusted Pre-Tax Income (Loss) Excluding Certain Items adjusts income before income taxes for restructuring charges, unrealized gains (losses) on change in fair value of derivative instruments, extinguishment of debt fees and gains (losses) on sale of assets. Novelis believes that Pre-Tax Income (Loss) Excluding Certain Items enhances the overall understanding of the company's current financial performance. Specifically, management believes this non-GAAP financial measure provides useful information to investors by excluding or adjusting certain items, which impact the comparability of the company's core operating results. With respect to unrealized gains (losses) on change in fair value of derivative instruments, management adjusts pre-tax income to eliminate the volatility created between periods due to changes in the fair value of derivative instruments before the derivative instruments are settled. With respect to restructuring charges, extinguishment of debt fees and gains (losses) on sale of assets, management believes these excluded items are not reflective of fixed costs that the company believes it will incur over the long term. This financial measure should be considered in addition to, and not as a substitute for or superior to, results prepared in accordance with GAAP.

Total Liquidity. Total Liquidity consists of: (a) cash and cash equivalents; (b) less overdrafts; (c) plus gross availability under the ABL facility and (d) less borrowing availability limitation under the ABL facility due to fixed charge coverage ratio. In addition to presenting available cash and cash equivalents, management believes that presenting Total Estimated Liquidity enhances investors' understanding of the liquidity that is actually available to the company. This financial measure should be considered in addition to, and not as a substitute for or superior to, results prepared in accordance with GAAP.

All information in the news release and the presentation materials speak as of the date thereof, and Novelis does not assume any obligation to update said information in the future.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press release, dated August 9, 2011 (furnished to the Commission as a part of this Form 8-K).

99.2 Presentation materials, dated August 9, 2011 (furnished to the Commission as a part of this Form 8-K).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NOVELIS INC.

Date: August 9, 2011

By: /s/ Leslie J. Parrette, Jr.
Leslie J. Parrette, Jr.
General Counsel, Corporate Secretary and Compliance
Officer

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press release, dated August 9, 2011 (furnished to the Commission as a part of this Form 8-K).
99.2	Presentation materials, dated August 9, 2011 (furnished to the Commission as a part of this Form 8-K).



News Release
For Immediate Release

Novelis Reports Record First Quarter Fiscal Year 2012 Results

- **Net income of \$62 million, up 24% YOY**
- **Record Adjusted EBITDA of \$306 million, up 16% YOY**
- **Solid Liquidity of \$865 million**
- **Strategic Expansion Projects on Track and on Budget**

ATLANTA, August 9, 2011 — Novelis Inc., the world's leading producer of aluminum rolled products, today reported net income attributable to its common shareholder of \$62 million for the first quarter of fiscal 2012 compared to net income of \$50 million for the same period in fiscal 2011. Adjusted EBITDA reached an all-time record in the quarter.

(in \$M)	Q1FY12 6/30/2011	Q1FY11 6/30/2010	Variance
Net Income	\$ 62	\$ 50	24%
Adjusted EBITDA	\$ 306	\$ 263	16%

Shipments of aluminum rolled products totaled 767 kilotonnes for the first quarter of fiscal 2012, an increase of 3 percent compared to shipments of 746 kilotonnes in the first quarter of the previous year. This increase in shipments was due to strong market conditions across all of the Company's operating regions, driven primarily by its global can and automotive end-product segments.

Net sales for the first quarter of fiscal 2012 were \$3.1 billion, an increase of 23 percent compared to the \$2.5 billion reported in the same period a year ago, the result of higher shipments, conversion premiums and aluminum prices.

Adjusted EBITDA for the quarter was \$306 million, representing a 16 percent increase from adjusted EBITDA of \$263 million posted for the same period a year ago. These operating results were primarily due to strong global market demand, improved pricing and effective cost management.

"We continue to drive consistent, solid results, and remain on track to achieve our target of between \$1.15 and \$1.2 billion in EBITDA for fiscal 2012," said Phil Martens, Novelis President and Chief Executive Officer. "We are on track and on budget with all of our global expansion projects, including our Brazil and Korea mill expansions and our strategic automotive investment in the U.S. These expansions, coupled with our debottlenecking initiatives, will add 1,000 kilotonnes of additional capacity and position us well to meet our customers' needs today and well into the future."

(in \$M)	Q1FY12 6/30/2011	Q1FY11 6/30/2010
Income Before Income Taxes	\$ 136	\$ 74
Significant Items Affecting Comparisons:		
Restructuring, net	(19)	(6)
Unrealized gains/(losses) on derivatives	25	(47)
Gain/(Loss) on Sale of Assets	(1)	13
Adjusted Pre-tax Income	\$ 131	\$ 114

The Company reported pre-tax income of \$136 million for the first quarter of fiscal 2012, an increase when compared to the \$74 million pre-tax income reported in the same period of fiscal 2011. Excluding restructuring charges, unrealized gains on derivatives, and loss on sale of assets, adjusted pre-tax income increased 15 percent year-over-year. "These are very strong operating results, considering shipments were only up 3% year-over-year and net interest was up \$37 million due to higher interest expense resulting from our debt issuance and refinancing in the third quarter of 2011," said Steve Fisher, Chief Financial Officer for Novelis.

(in \$M)	Q1FY12 6/30/2011	Q1FY11 6/30/2010
Cash and cash equivalents	\$ 307	\$ 419
Overdrafts	(18)	(17)
Gross availability under the ABL facility	576	649
Total Liquidity	\$ 865	\$ 1,051

As expected, for the first quarter of fiscal 2012, free cash flow was a negative \$194 million, compared to positive free cash flow of \$34 million reported in the first quarter of the previous year. Free cash flow in the quarter was impacted by a higher interest payment and capital spending and working capital increases as a result of higher aluminum prices. "Going forward, we expect strong cash flow generation which will enable us to continue to fund our global expansion projects," said Fisher.

Business Outlook

The Company sees continued strong performance across all operating regions going forward.

For Fiscal 2012, the Company expects to generate between \$600-700 million of free cash flow before capital expenditures and invest approximately \$550-600 million primarily for its global expansion projects.

Novelis is on track to achieve \$1.15-1.2 billion in adjusted EBITDA by fiscal year-end 2012.

Quarterly Report on Form 10-Q

The results described in this press release have been reported in detail on the Company's Form 10-Q on file with the SEC, and investors are directed to that document for a complete explanation of the Company's financial position and results through June 30, 2011. The Novelis Form 10-Q and other SEC filings are available for review on the Company's website at www.novelis.com.

First Quarter Fiscal 2012 Earnings Conference Call

Novelis will discuss its first quarter fiscal 2012 results via a live webcast and conference call for investors at 9:00 a.m. ET on Tuesday, August 9, 2011. Participants may access the webcast at <https://cc.callinfo.com/r/11gbwqy5rc43i>. To join by telephone, dial toll-free in North America at 800 899 2086, India toll-free at 0008001006992 or the international toll line at +1 212 231 2917. Access information may also be found at www.novelis.com/investors.

About Novelis

Novelis Inc. is the global leader in aluminum rolled products and aluminum can recycling. The Company operates in 11 countries, has nearly 11,000 employees and reported revenue of \$10.6 billion in fiscal year 2011. Novelis supplies premium aluminum sheet and foil products to automotive, transportation, packaging, construction, industrial, electronics and printing markets throughout North America, Europe, Asia, and South America. Novelis is a subsidiary of Hindalco Industries Limited (BSE: HINDALCO), one of Asia's largest integrated producers of aluminum and a leading copper producer. Hindalco is a flagship company of the Aditya Birla Group, a multinational conglomerate based in Mumbai, India. For more information, please visit www.novelis.com.

Non-GAAP Financial Measures

This press release and the presentation slides for the earnings call contain non-GAAP financial measures as defined by SEC rules. We think that these measures are helpful to investors in measuring our financial performance and liquidity and comparing our performance to our peers. However, our non-GAAP financial measures may not be comparable to similarly titled non-GAAP financial measures used by other companies. These non-GAAP financial measures have limitations as an analytical tool and should not be considered in isolation or as a substitute for GAAP financial measures. To the extent we discuss any non-GAAP financial measures on the earnings call, a reconciliation of each measure to the most directly comparable GAAP measure will be available in the presentation slides filed as Exhibit 99.2 to our Current Report on Form 8-K furnished to the SEC concurrent with the issuance of this press release. In addition, the Form 8-K includes a more detailed description of each of these non-GAAP financial measures, together with a discussion of the usefulness and purpose of such measures.

Attached to this news release are tables showing the Condensed Consolidated Statements of Operations, Condensed Consolidated Balance Sheets, Condensed Consolidated Statements of Cash Flows, Reconciliation to Adjusted EBITDA and Free Cash Flow.

Forward-Looking Statements

Statements made in this news release which describe Novelis' intentions, expectations, beliefs or predictions may be forward-looking statements within the meaning of securities laws. Forward-looking statements include statements preceded by, followed by, or including the words "believes," "expects," "anticipates," "plans," "estimates," "projects," "forecasts," or similar expressions. Examples of such statements in this news release include our plans to increase production capacity, our growth plans, our expectations with respect to the flat rolled products market and our view of our ability to generate free cash flow this fiscal year. Novelis cautions that, by their nature, forward-looking statements involve risk and uncertainty and that Novelis' actual results could differ materially from those expressed or implied in such 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. Factors that could cause actual results or outcomes to differ from the results expressed or implied by forward-looking statements include, among other things: changes in the prices and availability of aluminum (or premiums associated with such prices) or other materials and raw materials we use; the capacity and effectiveness of our metal hedging activities, including our internal used beverage cans (UBCs) 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 for future capital requirements; 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 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 deterioration in the global economy, particularly sectors in which our customers operate; changes in the fair value of derivative instruments and our ability to purchase 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, derivative instruments, environmental, health or safety compliance; changes in interest rates that have the effect of increasing the amounts we pay under our principal credit agreement and other financing agreements; the effect of taxes and changes in tax rates; the impact of timing differences between the pricing periods for the purchase and sale of aluminum; our ability to increase production capacity and our indebtedness and our ability to generate cash. The above list of factors is not exhaustive. Other important risk factors included under the caption "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended March 31, 2011 are specifically incorporated by reference into this news release.

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Novelis Inc.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)
(In millions)

	Three Months Ended June 30,	
	2011	2010
Net sales	\$ 3,113	\$ 2,533
Cost of goods sold (exclusive of depreciation and amortization)	2,708	2,208
Selling, general and administrative expenses	95	81
Depreciation and amortization	89	103
Research and development expenses	12	9
Interest expense and amortization of debt issuance costs	77	39
Interest income	(4)	(3)
Restructuring charges, net	19	6
Equity in net loss of non-consolidated affiliates	2	3
Other (income) expense, net	(21)	13
	<u>2,977</u>	<u>2,459</u>
Income before income taxes	136	74
Income tax provision	59	15
Net income	77	59
Net income attributable to noncontrolling interests	15	9
Net income attributable to our common shareholder	<u>\$ 62</u>	<u>\$ 50</u>

See accompanying notes to the condensed consolidated financial statements.

Novelis Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS (unaudited)
(In millions, except number of shares)

	June 30, 2011	March 31, 2011
ASSETS		
Current assets		
Cash and cash equivalents	\$ 307	\$ 311
Accounts receivable, net		
— third parties (net of allowances of \$8 and \$7 as of June 30, 2011 and March 31, 2011, respectively)	1,598	1,480
— related parties	33	28
Inventories, net	1,435	1,338
Prepaid expenses and other current assets	65	50
Fair value of derivative instruments	156	165
Deferred income tax assets	36	39
Total current assets	3,630	3,411
Property, plant and equipment, net	2,560	2,543
Goodwill	611	611
Intangible assets, net	700	707
Investment in and advances to non-consolidated affiliates	754	743
Fair value of derivative instruments, net of current portion	20	17
Deferred income tax assets	51	52
Other long-term assets		
— third parties	180	193
— related parties	19	19
Total assets	\$ 8,525	\$ 8,296
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Current portion of long-term debt	\$ 21	\$ 21
Short-term borrowings	207	17
Accounts payable		
— third parties	1,328	1,378
— related parties	51	50
Fair value of derivative instruments	71	82
Accrued expenses and other current liabilities	487	568
Deferred income tax liabilities	42	43
Total current liabilities	2,207	2,159
Long-term debt, net of current portion	4,069	4,065
Deferred income tax liabilities	583	552
Accrued postretirement benefits	532	526
Other long-term liabilities	371	359
Total liabilities	7,762	7,661
Commitments and contingencies		
Shareholder's equity		
Common stock, no par value; unlimited number of shares authorized; 1,000 shares issued and outstanding as of June 30, 2011 and March 31, 2011	—	—
Additional paid-in capital	1,830	1,830
Accumulated deficit	(1,380)	(1,442)
Accumulated other comprehensive income	103	57
Total equity of our common shareholder	553	445
Noncontrolling interests	210	190
Total equity	763	635
Total liabilities and equity	\$ 8,525	\$ 8,296

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,	
	2011	2010
OPERATING ACTIVITIES		
Net income	\$ 77	\$ 59
Adjustments to determine net cash (used in) provided by operating activities:		
Depreciation and amortization	89	103
(Gain) loss on unrealized derivatives and other derivatives in investing activities, net	(24)	6
Deferred income taxes	37	(11)
Write-off and amortization of fair value adjustments, net	3	5
Equity in net loss of non-consolidated affiliates	2	3
Foreign exchange remeasurement of debt	—	7
(Gain) loss on sale of assets	1	(13)
Other, net	18	3
Changes in assets and liabilities:		
Accounts receivable	(92)	(146)
Inventories	(81)	(38)
Accounts payable	(70)	51
Other current assets	(13)	(8)
Other current liabilities	(83)	16
Other noncurrent assets	9	(3)
Other noncurrent liabilities	12	(12)
Net cash (used in) provided by operating activities	(115)	22
INVESTING ACTIVITIES		
Capital expenditures	(67)	(23)
Proceeds from sales of assets — third parties	—	15
Proceeds from investment in and advances to non-consolidated affiliates, net	1	—
(Outflow) proceeds from related party loans receivable, net	(6)	3
(Outflow) proceeds from settlement of other undesignated derivative instruments, net	(7)	32
Net cash (used in) provided by investing activities	(79)	27
FINANCING ACTIVITIES		
Proceeds from issuance of debt — third parties	3	—
Principal payments — third parties	(5)	(4)
Short-term borrowings (payments), net	190	(41)
Dividends, noncontrolling interest	—	(17)
Net cash provided by (used in) financing activities	188	(62)
Net decrease in cash and cash equivalents	(6)	(13)
Effect of exchange rate changes on cash balances held in foreign currencies	2	(5)
Cash and cash equivalents — beginning of period	311	437
Cash and cash equivalents — end of period	\$ 307	\$ 419

See accompanying notes to the condensed consolidated financial statements.

Reconciliation from Net Income Attributable to our Common Shareholder to Adjusted EBITDA

Novelis is providing disclosure of the reconciliation of reported non-GAAP financial measures to their comparable financial measures on a GAAP basis.

(in millions)	Quarter Ended June 30,	
	2011	2010
Net income (loss) attributable to our common shareholder	\$ 62	\$ 50
Noncontrolling interests	(15)	(9)
Income tax provision	(59)	(15)
Interest, net	(73)	(36)
Depreciation and amortization	(89)	(103)
EBITDA	298	213
Unrealized gain (loss) on derivatives	25	(47)
Realized gain on derivative instruments not included in segment income	2	—
Proportional consolidation	(13)	(10)
Loss on early extinguishment of debt	—	—
Restructuring charges, net	(19)	(6)
Gain (loss) on sale of assets	(1)	13
Other income, net	(2)	—
Adjusted EBITDA	<u>\$ 306</u>	<u>\$ 263</u>

The following table shows the "Free cash flow" for the three months ended June 30, 2011 and 2010, the change between periods as well as the ending balances of cash and cash equivalents (in millions).

	Three Months Ended June 30,		Change
	2011	2010	
Net cash (used in) provided by operating activities	\$ (115)	\$ 22	\$ (137)
Net cash provided by (used in) investing activities	(79)	27	(106)
Less: Proceeds from sales of assets	—	(15)	15
Free cash flow	<u>\$ (194)</u>	<u>\$ 34</u>	<u>\$ (228)</u>
Ending cash and cash equivalents	<u>\$ 307</u>	<u>\$ 419</u>	<u>\$ (112)</u>



Brighter Ideas with Aluminum

Novelis First Quarter 2012 Earnings Conference Call

August 9, 2011

Philip Martens
President and Chief Executive Officer

Steve Fisher
Senior Vice President and Chief Financial Officer

Safe Harbor Statement

Forward-Looking Statements

Statements made in this presentation which describe Novelis' intentions, expectations, beliefs or predictions may be forward-looking statements within the meaning of securities laws. Forward-looking statements include statements preceded by, followed by, or including the words "believes," "expects," "anticipates," "plans," "estimates," "projects," "forecasts," or similar expressions. Examples of such statements in this presentation are our stated view regarding our ability to generate free cash flow this fiscal year, our target Adjusted EBITDA for fiscal 2011, our projections for aluminum demand, our projected liquidity levels, expected cost savings from plant closures and anticipated increases to our production capacity from our debottlenecking initiatives. Novelis cautions that, by their nature, forward-looking statements involve risk and uncertainty and that Novelis' actual results could differ materially from those expressed or implied in such 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. Factors that could cause actual results or outcomes to differ from the results expressed or implied by forward-looking statements include, among other things: changes in the prices and availability of aluminum (or premiums associated with such prices) or other materials and raw materials we use; the capacity and effectiveness of our metal hedging activities, including our internal used beverage cans (UBCs) 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 for future capital requirements; 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 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 deterioration in the global economy, particularly sectors in which our customers operate; 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, environmental, health or safety compliance; changes in interest rates that have the effect of increasing the amounts we pay under our principal credit agreement and other financing agreements; the effect of taxes and changes in tax rates; and our indebtedness and our ability to generate cash. The above list of factors is not exhaustive. Other important risk factors included under the caption "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended March 31, 2011 are specifically incorporated by reference into this presentation.

Non-GAAP Financial Measures

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Agenda

FINANCIAL HIGHLIGHTS & OUTLOOK

DETAILED FINANCIAL PERFORMANCE

NOVELIS STRATEGY

QUESTIONS AND ANSWERS

FINANCIAL HIGHLIGHTS & OUTLOOK

First Quarter Financial Highlights

(Q1FY12 vs. Q1FY11)

- Shipments Up 3% to 767 Kilotonnes
- Net Sales Up 23% to \$3.1 Billion
- Record Adjusted EBITDA Up 16% to \$306 Million
- Free Cash Flow Before CapEx of (\$127) Million
- Liquidity of \$865 Million
- Net Income of \$62 Million

Record Performance

FY12 Targets

- Adjusted EBITDA \$1.15-\$1.20B
- Free Cash Flow before Capex of \$600 - \$700M
- Capex of \$550 - \$600M Primarily for Strategic Investments

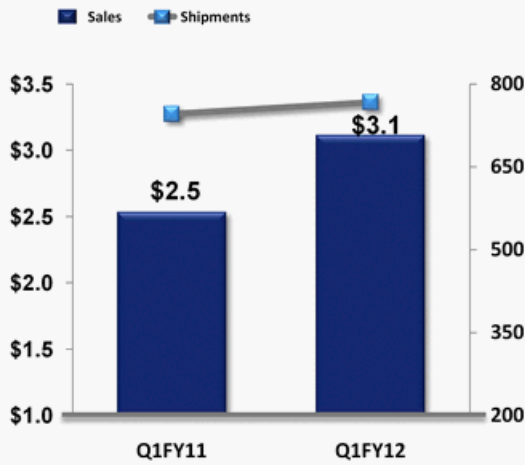
**On Track to Achieve
FY12 Targets**

DETAILED FINANCIAL PERFORMANCE

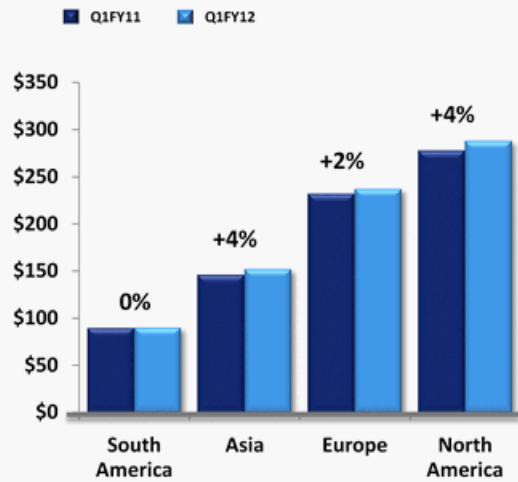
Shipments & Sales

Sales (Billions) • Shipments (Kt)

Total Company



Shipments by Region

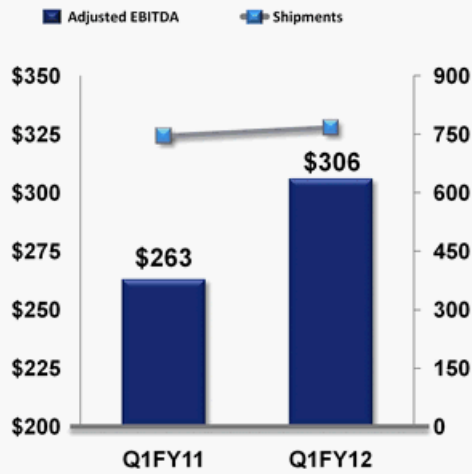


Continued Strong Global Demand

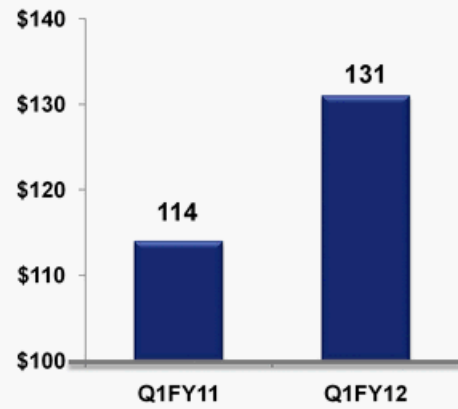
EBITDA, Shipments and Pre-Tax Income

EBITDA & Pre-Tax Income (Millions) • Shipments (Kt)

Adjusted EBITDA/Shipments



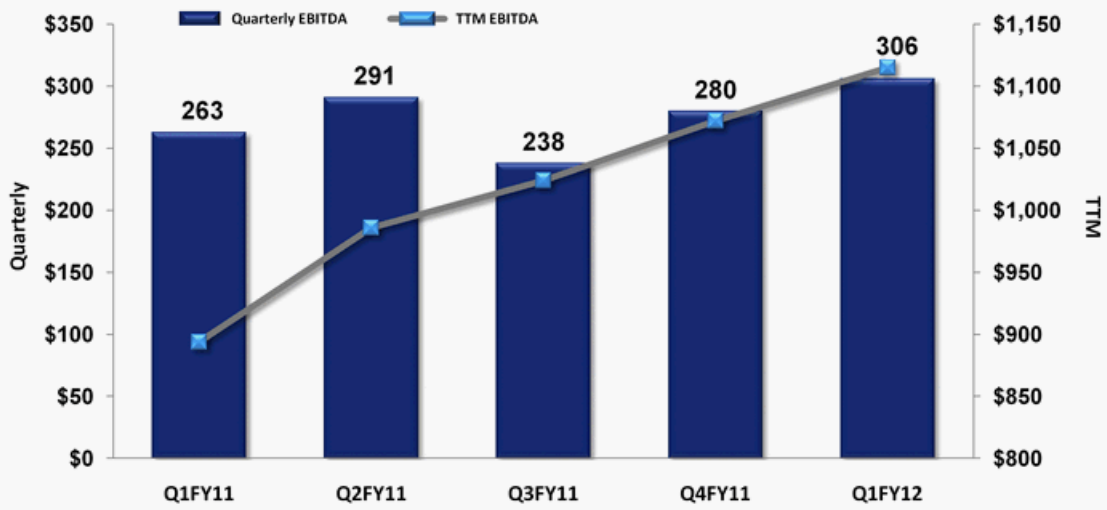
Adjusted Pre-Tax Income*



Record EBITDA – Up 16% on Shipments Increase of 3%

Adjusted EBITDA Trend

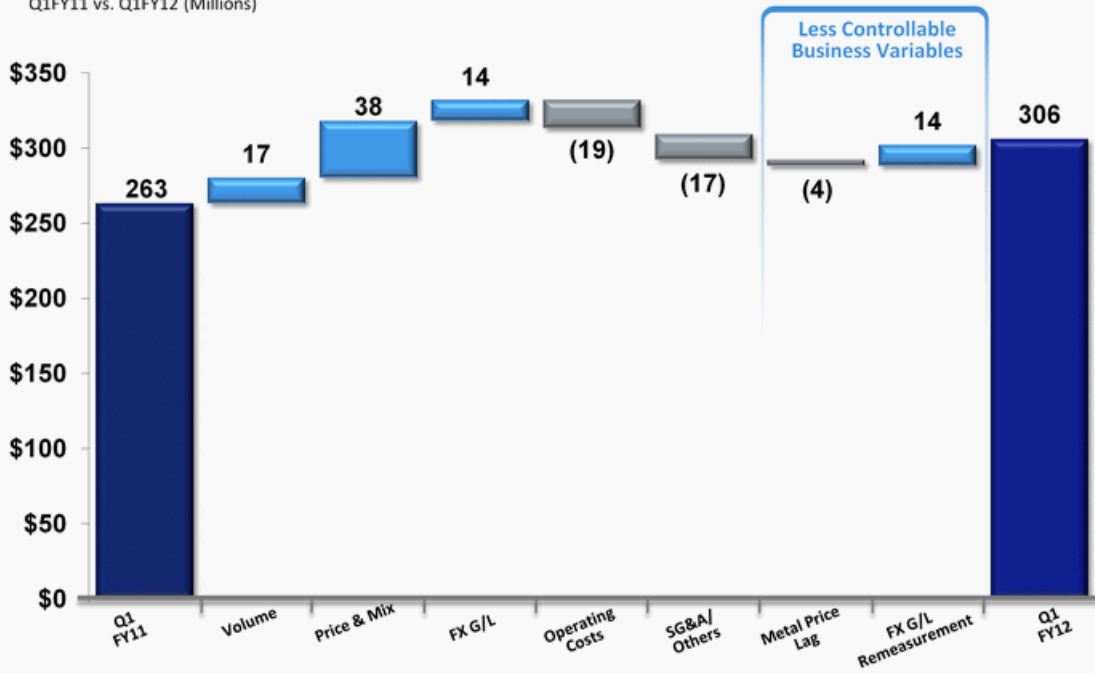
(Millions)



Driving Consistent & Predictable Results

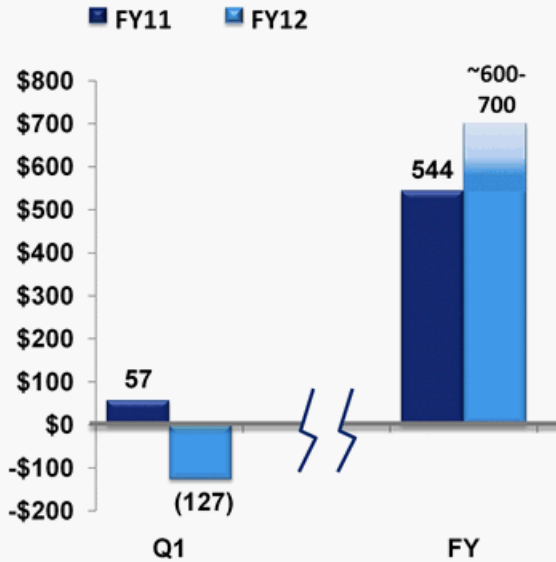
Adjusted EBITDA

Q1FY11 vs. Q1FY12 (Millions)



Free Cash Flow Before CapEx

(Millions)



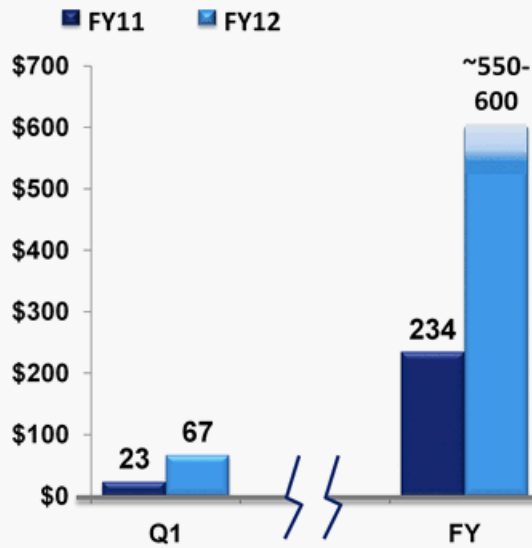
Significant Items Affecting Q1FY12 FCF:

- Timing of Semi-annual Interest Payment of \$106M
- Working Capital impact of ~\$243M primarily due to Higher Aluminum Prices and Increased Inventory Levels

Expect to Generate ~\$600-700 Million for FY12

Capital Expenditures

(Millions)



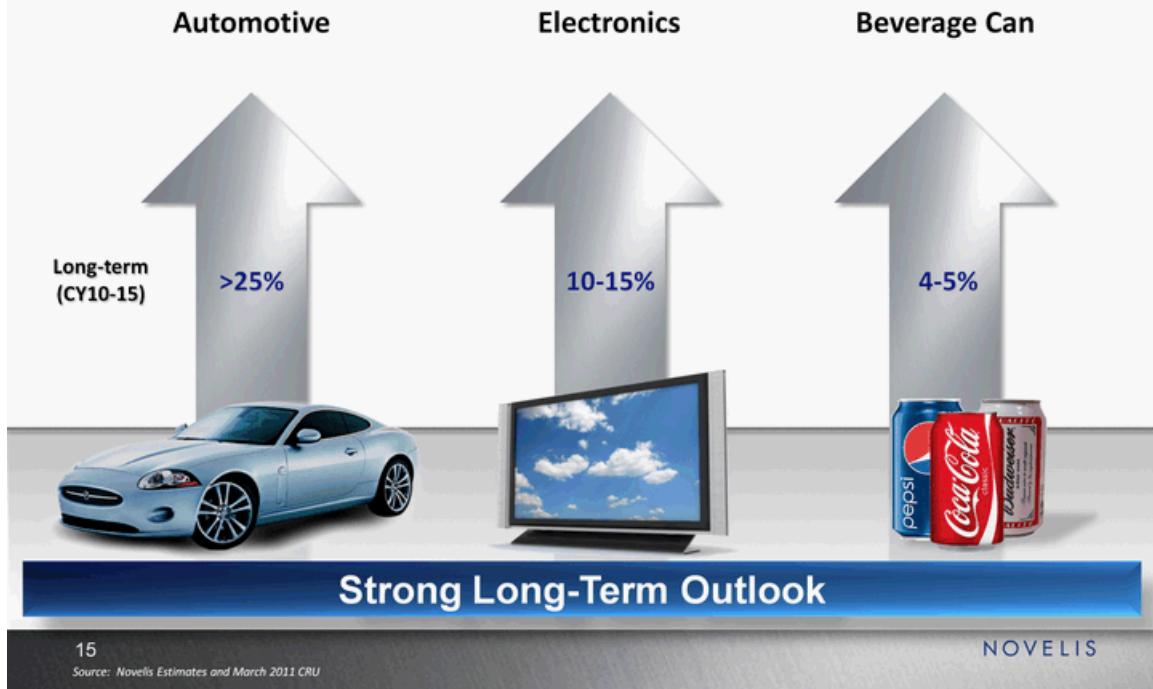
Capex Plan:

- Capex plan Back-end Weighted
- Strategic Investments of ~\$410-\$460M
- Maintenance Investments of ~\$140M

Focused on Strategic Investments

NOVELIS STRATEGY

Long-Term Global Trends in Aluminum Demand



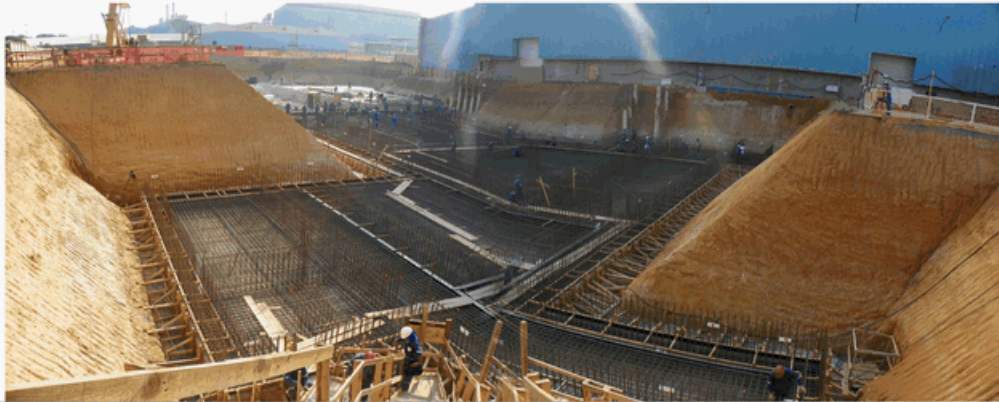
Novelis Long-Term Strategy

Capitalizing on Strong Market Growth and Solidifying Market Leadership Through Expansion

Long-Term Strategic Investments

- Brazil Mill Expansion
- Asia Mill Expansion
- North America Mill Expansion

Pinda, Brazil Mill Expansion



- Primarily Geared at Incremental Production of Aluminum Can Sheet
- Halfway Through Expansion // On Time & On Budget

On Track for Incremental Capacity of ~220kt by End of CY 2012

South Korea, Asia Mill Expansion

- The addition of ~350kt Nearly Doubles Annual Capacity to ~1,000kt by end of CY2013
- Incremental Capacity to Support 7.7% Growth in Asia*
- Strong Expected Growth in Can, Automotive and Electronics over the next 5 years



Solidify Leadership Position in Asia



Can



Automotive

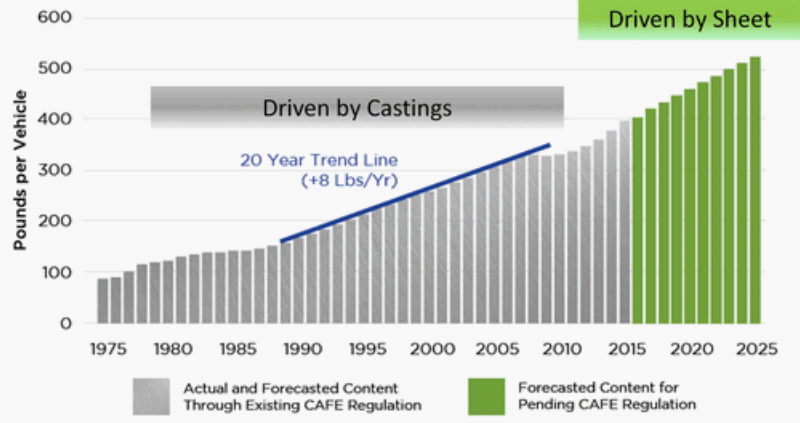


Electronics

*Source: 5-Yr CAGR, Novelis Estimates, March 2011 CRU

Government Regulation Driving Aluminum Demand

ALUMINUM CONTENT IN NORTH AMERICAN LIGHT VEHICLES



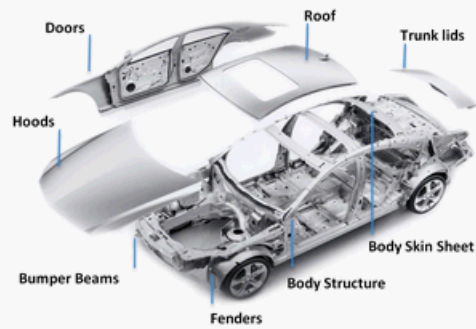
Aluminum Content Growth to be Driven by Sheet Starting 2015

North America Strategic Automotive Expansion

- Additional Capacity of ~200kt Coming Online by mid-2013 at Oswego, NY Plant
- Plans to Double Global Aluminum Automotive Sheet Capacity in Three Years

Aluminum now becoming more widely used in many structural & exterior components

FRP Aluminum Components in Automotive Vehicles



Cements Novelis' Global Leadership Position in Auto

Summary

- Performance Remains Strong Across our Four Regions
- On Track to Achieve FY12 Adjusted EBITDA of \$1.15-\$1.20B
- Making Headway on Global Investments:
 - Three Large Mill Expansions on Track & Budget
 - Global Recycling Initiatives on Track & Budget

QUESTIONS AND ANSWERS

APPENDIX

Income Statement Reconciliation to Adjusted EBITDA

(in \$ m)	Q1 FY10	Q2 FY10	Q3 FY10	Q4 FY10	FY 10	Q1 FY11	Q2 FY11	Q3 FY11	Q4 FY11	FY11	Q1 FY12
Net Income (loss) Attributable to Our Common Shareholder	143	195	68	(1)	405	50	62	(46)	50	116	62
- Interest, net	(40)	(41)	(42)	(41)	(164)	(36)	(37)	(42)	(79)	(194)	(73)
- Income tax (provision) benefit	(112)	(87)	(48)	(15)	(262)	(15)	(56)	(33)	21	(83)	(59)
- Depreciation and amortization	(100)	(92)	(93)	(99)	(384)	(103)	(104)	(100)	(97)	(404)	(89)
- Noncontrolling interests	(18)	(19)	(13)	(10)	(60)	(9)	(11)	(11)	(13)	(44)	(15)
EBITDA	413	434	264	164	1,275	213	270	140	218	841	298
- Unrealized gain (loss) on derivatives	299	254	62	(37)	578	(47)	1	9	(27)	(64)	25
- Realized gain on derivative instruments not included in segment income	-	-	-	-	-	-	-	4	1	5	2
- Loss on early extinguishment of debt	-	-	-	-	-	-	-	(74)	(10)	(84)	-
- Proportional consolidation	(16)	(17)	2	(21)	(52)	(10)	(11)	(10)	(14)	(45)	(13)
- Restructuring charges, net	(3)	(3)	(1)	(7)	(14)	(6)	(9)	(20)	1	(34)	(19)
- Others costs, net	9	1	1	(3)	8	13	(2)	(7)	(13)	(9)	(3)
Adjusted EBITDA	124	199	200	232	755	263	291	238	280	1,072	306
Other Income (expense) Included in Adjusted EBITDA											
- Metal price lag	(30)	(10)	3	2	(35)	9	19	-	(3)	25	5
- Foreign currency remeasurement	5	13	(6)	4	16	(22)	20	1	9	8	(8)
- Purchase accounting	52	49	42	(2)	141	(3)	(4)	(3)	(3)	(13)	(3)
- Can price ceiling, net	(54)	(54)	(20)	-	(128)	-	-	-	-	-	-

Free Cash Flow

	(in \$m)					FY10					FY11					FY12	
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year	Q1	
Cash Provided by (used in) Operating Activities	256	195	179	214	844	22	102	94	236	454	(115)						
Cash Provided by (used in) Investing Activities	(233)	(196)	(55)	0	(484)	27	(2)	(39)	(99)	(113)	(79)						
Less: Proceeds from Sales of Fixed Assets	(3)	(1)	0	(1)	(5)	(15)	(3)	(10)	(3)	(31)	0						
Free Cash Flow	20	(2)	124	213	355	34	97	45	134	310	(194)						

Explanation of Other Income (Expenses) Included in our Adjusted EBITDA

1) Metal Price Lag Net of Related Hedges:

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. This timing difference is referred to as Metal Price Lag. We have a risk management program in place to minimize impact of this "lag".

2) Foreign Currency Remeasurement Net of Related Hedges:

All non-functional currency denominated Working Capital and Debt gets remeasured every period by the period end exchange rates. This impacts our profitability. Like Metal Price Lag, we have a risk management program in place to minimize impact of such Remeasurement.

3) Purchase Accounting:

Following our acquisition, the consideration and transaction costs paid by Hindalco in connection with the transaction were "pushed down" to us and were allocated to the assets acquired and the liabilities assumed. These allocations are amortized over periods, impacting our profitability. A significant portion of such amortizations pertain to ceiling contracts.

4) Can Price Ceilings:

Some sales contracts contained a ceiling over which metal prices could not be contractually passed through to certain customers. This negatively impacted our margins and cash flows when the price we paid for metal was above the ceiling price contained in these contracts. These contracts expired December 31, 2009.