
**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): May 24, 2012

NOVELIS INC.

(Exact name of Registrant as specified in its charter)

Canada
(State or other jurisdiction
of incorporation)

001-32312
(Commission File Number)

98-0442987
(I.R.S. Employer
Identification No.)

3560 Lenox Road, Suite 2000, Atlanta, GA
(Address of principal executive offices)

30326
(Zip Code)

Registrant's telephone number, including area code (404) 760-4000

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 May 24, 2012, Novelis Inc. issued a press release reporting the company's financial results for its quarter ended March 31, 2012. 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 and Free Cash Flow Before CapEx. 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. Free Cash Flow before Cap Ex consists of: (a) Free Cash Flow, plus (b) capital expenditures. Management believes that Free Cash Flow and Free Cash Flow Before CapEx are relevant to investors as they provide a measure of the cash generated internally that is available for debt service and other value creation opportunities. However, Free Cash Flow and Free Cash Flow Before CapEx are not measurements of financial performance or liquidity under GAAP and do 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 and Free Cash Flow Before CapEx may not be consistent with that of other companies.

Net Income (Loss) Excluding Special Items. Net Income (Loss) Excluding Special Items adjusts net income for restructuring charges, extinguishment of debt fees and gains (losses) on sale of assets and the tax effect of such special items. Novelis believes that Net Income (Loss) Excluding Special 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 restructuring charges, extinguishment of debt fees, gains (losses) on sale of assets, and the tax effect of such special items, 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 May 24, 2012 (furnished to the Commission as a part of this Form 8-K).

99.2 Presentation materials, dated May 24, 2012 (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.

Date: May 24, 2012

NOVELIS INC.

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

EXHIBIT INDEX

Exhibit
Number

Description

99.1	Press release, dated May 24, 2012 (furnished to the Commission as a part of this Form 8-K).
99.2	Presentation materials, dated May 24, 2012 (furnished to the Commission as a part of this Form 8-K).



News Release

For Immediate Release

Novelis Reports Strong Fiscal Year 2012 Results *Company Achieves Record EBITDA per tonne for FY12*

- **Net income, excluding special items, of \$218 million, up 6% YoY**
- **Record EBITDA per tonne of \$371, up 3% YoY**
- **Adjusted EBITDA of \$1.053 billion, down 2% YoY**
- **Record Free Cash Flow before Capex of \$614 million**
- **Solid Liquidity of \$1.021 billion**
- **Increased recycled content to 39% through global recycling investments**
- **Strong long-term growth outlook supports \$100 million plant investment in China**

ATLANTA, May 24, 2012 – Novelis Inc., the world’s leading producer of aluminum rolled products, today reported net income attributable to its common shareholder of \$63 million for fiscal 2012. Excluding tax-effected items such as the loss on assets held for sale, extinguishment of debt and restructuring charges in fiscal 2012 and 2011, net income for fiscal 2012 was \$218 million, representing a 6 percent increase when compared to fiscal 2011.

“Despite economic uncertainty driving slightly lower shipments in fiscal 2012, our solid business model, good cost management and focus on premium products allowed us to report a record EBITDA per tonne of \$371 for the year,” said Phil Martens, Novelis President and Chief Executive Officer.

“Our operations generated a record \$600 million in cash that we used to invest in the business,” said Martens. “This is an exciting time for us. All of our major strategic expansions in Brazil, South Korea and the United States are progressing well. In addition, we recently announced our entry into China with a plant that will initially focus on automotive sheet finishing capabilities, solidifying our global automotive leadership position.”

“Throughout the year, we also invested significantly in global recycling facilities, with recycling investments in South America, Europe and a future state-of-the-art fully-integrated recycling system in Germany. Not only will these facilities ensure metal supply but they also reduce our overall cost base and ensure significant progress towards our goal of achieving 80 percent recycled content in our products by 2020.”

The Company noted a number of significant accomplishments in fiscal 2012:

- Record free cash flow before capex of \$614 million.
- Record investment in the business of \$516 million, primarily geared at major global expansion projects and key product segments of can, automotive, electronics and high-end specialties.
- Continued optimization of the Company’s footprint which will improve its competitive position, including the divesture of three foil plants in Europe and closure of an aluminum sheet mill in Canada.

- Invested in major recycling initiatives in all four operating regions, including advanced equipment and technology to process diversified scrap inputs, which will enable the Company to achieve recycled content of 50 percent in its products by 2015.
- Committed \$100 million to build a plant in China, geared initially at automotive sheet finishing capabilities. The Company continues to expect strong aluminum rolled products demand in Asia, driven primarily by China, over the next five years.

Shipments of aluminum rolled products totaled 2,838 kilotonnes for fiscal 2012 compared to shipments of 2,969 kilotonnes for fiscal 2011. The decrease in shipments was primarily a result of customer destocking due to economic uncertainty and continued weakness in the Company's electronics business. Shipments of aluminum rolled products totaled 703 kilotonnes for the fourth quarter of fiscal 2012 compared to shipments of 771 kilotonnes in the fourth quarter of the previous year.

Net sales for fiscal 2012 were \$11.1 billion, a 5 percent increase compared to the \$10.6 billion reported in the same period a year ago, mainly the result of favorable conversion premiums across all regions and an increase in average aluminum prices compared to the same period last year. Net sales for the fourth quarter of fiscal 2012 were \$2.6 billion, a decrease of 12 percent compared to the \$3.0 billion reported in the same period a year ago, mainly the result of lower volumes and average aluminum prices compared to the same period last year.

Adjusted EBITDA for fiscal 2012 was \$1,053 million, a 2 percent decrease compared to a record \$1,072 million in fiscal 2011. Adjusted EBITDA for the fourth quarter of fiscal 2012 was \$233 million, compared with \$280 million reported in the same period of the previous year. The decrease in EBITDA for the year and quarter were primarily driven by weaker demand, partially offset by higher conversion premiums. "As expected we saw demand recovery from the third quarter and expect this trend to continue into fiscal 2013," said Steve Fisher, Chief Financial Officer for Novelis.

(in \$M)	FY12 3/31/2012	FY11 3/31/2011
Cash and cash equivalents	\$ 317	\$ 311
Overdrafts	—	(17)
Gross availability under the ABL facility	704	767
Total Liquidity	\$ 1,021	\$ 1,061

For fiscal 2012, Novelis reported solid liquidity of \$1,021 million and free cash flow of \$98 million. "We generated record cash flow in fiscal 2012, as a result of our strong operating results as well as our ability to react quickly in this economic environment and effectively manage our working capital, ending the year at our lowest inventory levels since 2009," said Fisher. "Our robust cash generation allowed us to more than double our capital expenditures year-over-year. Going forward, we expect continued strong cash flow generation which will enable us to fund our strategic expansion projects across the globe."

(in \$M)	FY12 3/31/2012	FY11 3/31/2011
Free Cash Flow	\$ 98	\$ 310
Capex	516	234
Free Cash Flow before Capex	\$ 614	\$ 544

Business Outlook

The Company continues to see a market recovery going forward and as a result expects fiscal 2013 Adjusted EBITDA to be above fiscal 2012 levels of \$1.05 billion. In addition, it expects fiscal 2013 free cash flow before capital expenditures to be between \$600-700 million and capital expenditures of approximately \$650-700 million primarily focused on its global expansion projects in Brazil, South Korea, China and the United States.

Annual Report on Form 10-K

The results described in this press release have been reported in detail on the Company's Form 10-K 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 March 31, 2012. The Novelis Form 10-K and other SEC filings are available for review on the Company's website at www.novelis.com.

Fourth Quarter & Fiscal 2012 Earnings Conference Call

Novelis will discuss its fourth quarter and fiscal 2012 results via a live webcast and conference call for investors at 9:00 a.m. ET on Thursday, May 24, 2012. Participants may access the webcast at <https://cc.callinfo.com/r/13a9zldcifoeb>. To join by telephone, dial toll-free in North America at 800 926 7535, India toll-free at 0008001007108 or the international toll line at +1 212 231 2935. 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 approximately 11,600 employees and reported revenue of \$11 billion in fiscal year 2012. 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 forward-looking statements in this news release include our expectations for free cash flow generation and our projected capital expenditures through the end of the 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; 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; 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, 2012 are specifically incorporated by reference into this news release.

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Novelis Inc.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions)

	(Unaudited)		Year Ended	
	Quarter Ended March 31,		March 31,	
	2012	2011	2012	2011
Net sales	\$2,608	\$2,960	\$11,063	\$10,577
Cost of goods sold (exclusive of depreciation and amortization)	2,262	2,599	9,743	9,227
Selling, general and administrative expenses	102	103	383	375
Depreciation and amortization	80	97	329	404
Research and development expenses	10	13	44	40
Interest expense and amortization of debt issuance costs	77	82	305	207
Interest income	(4)	(3)	(15)	(13)
Loss on assets held for sale	111	—	111	—
Loss on extinguishment of debt	—	10	—	84
Restructuring charges, net	29	(1)	60	34
Equity in net loss of non-consolidated affiliates	4	1	13	12
Other (income) expenses, net	46	17	(39)	(36)
	<u>2,717</u>	<u>2,918</u>	<u>10,934</u>	<u>10,334</u>
Income (loss) before income taxes	(109)	42	129	243
Income tax provision (benefit)	(3)	(21)	39	83
Net income (loss)	(106)	63	90	160
Net income attributable to noncontrolling interests	1	13	27	44
Net income (loss) attributable to our common shareholder	<u>\$ (107)</u>	<u>\$ 50</u>	<u>\$ 63</u>	<u>\$ 116</u>

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

	March 31,	
	2012	2011
ASSETS		
Current assets		
Cash and cash equivalents	\$ 317	\$ 311
Accounts receivable, net		
— third parties (net of allowances of \$5 and \$7 as of March 31, 2012 and 2011, respectively)	1,331	1,480
— related parties	36	28
Inventories	1,024	1,338
Prepaid expenses and other current assets	61	50
Fair value of derivative instruments	99	165
Deferred income tax assets	151	39
Assets held for sale	81	—
Total current assets	<u>3,100</u>	<u>3,411</u>
Property, plant and equipment, net	2,689	2,543
Goodwill	611	611
Intangible assets, net	678	707
Investment in and advances to non-consolidated affiliates	683	743
Fair value of derivative instruments, net of current portion	2	17
Deferred income tax assets	74	52
Other long-term assets		
— third parties	168	193
— related parties	16	19
Total assets	<u>\$ 8,021</u>	<u>\$ 8,296</u>
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Current portion of long-term debt	\$ 23	\$ 21
Short-term borrowings	18	17
Accounts payable		
— third parties	1,245	1,378
— related parties	51	50
Fair value of derivative instruments	95	82
Accrued expenses and other current liabilities	476	568
Deferred income tax liabilities	34	43
Liabilities held for sale	57	—
Total current liabilities	<u>1,999</u>	<u>2,159</u>
Long-term debt, net of current portion	4,321	4,065
Deferred income tax liabilities	581	552
Accrued postretirement benefits	687	526
Other long-term liabilities	310	359
Total liabilities	<u>7,898</u>	<u>7,661</u>
Commitments and contingencies		
Shareholder's equity		
Common stock, no par value; unlimited number of shares authorized; 1,000 shares issued and outstanding as of March 31, 2012 and 2011	—	—
Additional paid-in capital	1,659	1,830
Accumulated deficit	(1,379)	(1,442)
Accumulated other comprehensive (loss) income	(191)	57
Total equity of our common shareholder	<u>89</u>	<u>445</u>
Noncontrolling interests	<u>34</u>	<u>190</u>
Total equity	<u>123</u>	<u>635</u>
Total liabilities and equity	<u>\$ 8,021</u>	<u>\$ 8,296</u>

Novelis Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Year Ended March 31,	
	2012	2011
OPERATING ACTIVITIES		
Net income	\$ 90	\$ 160
Adjustments to determine net cash provided by operating activities:		
Depreciation and amortization	329	404
Gain on unrealized derivatives and other realized derivatives in investing activities, net	(7)	(43)
Loss on assets held for sale	111	—
Loss on extinguishment of debt	—	84
Non-cash impairment charges, net	46	5
Deferred income taxes	(33)	(45)
Write-off and amortization of fair value adjustments, net	24	4
Amortization of debt issuance costs	17	9
Equity in net loss of non-consolidated affiliates	13	12
(Gain) loss on foreign exchange remeasurement on debt	13	—
(Gain) loss on sale of assets	3	(4)
Other, net	3	(7)
Changes in assets and liabilities including assets and liabilities held for sale (net of effects from acquisitions and divestitures):		
Accounts receivable	47	(295)
Inventories	214	(218)
Accounts payable	(188)	263
Other current assets	(10)	(8)
Other current liabilities	(67)	134
Other noncurrent assets	9	(6)
Other noncurrent liabilities	(58)	5
Net cash provided by operating activities	556	454
INVESTING ACTIVITIES		
Capital expenditures	(516)	(234)
Proceeds from sales of assets		
— third parties	12	21
— related parties	4	10
Proceeds from investment in and advances to non-consolidated affiliates, net	2	—
(Outflow) proceeds from related party loans receivable, net	(3)	(1)
(Outflow) proceeds from settlement of other undesignated derivative instruments, net	59	91
Net cash used in investing activities	(442)	(113)
FINANCING ACTIVITIES		
Proceeds from issuance of debt		
— third parties	271	3,985
— related parties	—	—
Principal repayments		
— third parties	(22)	(2,489)
— related parties	—	—
Short-term borrowings, net	2	(56)
Return of capital to our common shareholder	—	(1,700)
Dividends, noncontrolling interest	(1)	(18)
Acquisition of noncontrolling interest in Novelis Korea, Ltd.	(344)	—
Debt issuance costs	(2)	(193)
Net cash used in financing activities	(96)	(471)
Net increase (decrease) in cash and cash equivalents	18	(130)
Effect of exchange rate changes on cash	(12)	4
Cash and cash equivalents — beginning of period	311	437
Cash and cash equivalents — end of period	<u>\$ 317</u>	<u>\$ 311</u>

RECONCILIATION FROM NET INCOME (LOSS) 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 March 31,		Year Ended March 31,	
	2012	2011	2012	2011
Net income (loss) attributable to our common shareholder	<u>\$(107)</u>	<u>\$ 50</u>	<u>\$ 63</u>	<u>\$ 116</u>
Noncontrolling interests	(1)	(13)	(27)	(44)
Income tax (provision) benefit	3	21	(39)	(83)
Interest, net	(73)	(79)	(290)	(194)
Depreciation and amortization	(80)	(97)	(329)	(404)
EBITDA	<u>44</u>	<u>218</u>	<u>748</u>	<u>841</u>
Unrealized gain (loss) on derivatives	(23)	(27)	(62)	(64)
Realized gain on derivative instruments not included in segment income	2	1	1	5
Loss on early extinguishment of debt	—	(10)	—	(84)
Proportional consolidation	(15)	(14)	(49)	(45)
Restructuring charges, net	(29)	1	(60)	(34)
Loss on assets held for sale	(111)	—	(111)	—
Others costs, net	(13)	(13)	(24)	(9)
Adjusted EBITDA	<u>\$ 233</u>	<u>\$280</u>	<u>\$1,053</u>	<u>\$1,072</u>

The following table shows the free cash flow for the fiscal year ended March 31, 2012 and 2011, and the ending balances of cash and cash equivalents (in millions).

	Year Ended March 31,	
	2012	2011
Net cash provided by operating activities	<u>\$ 556</u>	<u>\$ 454</u>
Net cash used in investing activities	(442)	(113)
Less: Proceeds from sales of assets	(16)	(31)
Free cash flow	<u>\$ 98</u>	<u>\$ 310</u>
Ending cash and cash equivalents	<u>\$ 317</u>	<u>\$ 311</u>

The following table shows Net Income attributable to our common shareholder excluding Special Items for the fiscal year ended March 31, 2012 and 2011 (in millions).

	Year Ended March 31,	
	2012	2011
Net Income	<u>\$ 63</u>	<u>\$116</u>
Special Items:		
Loss on assets held for sale	111	—
Extinguishment of Debt	—	84
Restructuring charges	60	34
Tax effect on Special Items	(16)	(29)
Net Income, excluding Special Items	<u>\$218</u>	<u>\$205</u>



Brighter Ideas with Aluminum

Novelis Fourth Quarter & FY 2012 Earnings Conference Call

May 24, 2012

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 forward-looking statements in this presentation are statements about future global growth in flat rolled products, our anticipated capital expenditures in fiscal year 2013, and our expectations for demand recovery in fiscal year 2013. 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; 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, 2012 are specifically incorporated by reference into this presentation.

Non-GAAP Financial Measures

This presentation contains 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. We have included reconciliations of each of these measures to the most directly comparable GAAP measure. In addition, a more detailed description of these non-GAAP financial measures used in this presentation, together with a discussion of the usefulness and purpose of such measures, is included as Exhibit 99.2 to our Current Report on Form 8-K furnished to the SEC with our earnings press release.

Agenda

FY 2012 HIGHLIGHTS

NOVELIS' STRATEGY

DETAILED FINANCIAL PERFORMANCE

SUMMARY & OUTLOOK

FISCAL YEAR 2012 HIGHLIGHTS

Fiscal 2012 Highlights

- Record EBITDA/tonne of \$371 despite 4% decrease in Shipments
- Generated Record Free Cash Flow before CapEx
- Strategic Expansions Progressing Well
- Continued Executing on our Strategy



Strong Performance & Execution Throughout FY2012

NOVELIS' STRATEGY

Novelis' Strategy

CONTINUE TO STRENGTHEN THE BUSINESS

- Product Portfolio/Footprint Optimization
- One Novelis

CAPTURE GROWTH IN OUR GLOBAL FRP MARKETS

- Major Rolling Expansions in South America, Asia & North America

80% RECYCLED CONTENT IN OUR PRODUCTS BY 2020

- Major Recycling Expansions Worldwide

Executing on Novelis' Strategy – FY12 Actions

CONTINUE TO STRENGTHEN THE BUSINESS

- Announced Divestiture of Three Foil Mills in Europe
- Announced Closure of Saguenay Plant in Canada
- Buyout of Minority Interests in Korean Operations
- Announced Intent to Exit the Evermore Joint Venture

Executing on Novelis' Strategy – FY12 Actions

CONTINUE TO STRENGTHEN THE BUSINESS

CAPTURE GROWTH IN OUR GLOBAL FRP MARKETS

- Progressing well on All Major Rolling Expansions -- Brazil, South Korea & United States
- Announced Entry Point into China through a new Plant geared at Automotive Sheet Finishing Capabilities in Changzhou City in the Jiangsu Province of China

Executing on Novelis' Strategy – FY12 Actions

CONTINUE TO STRENGTHEN THE BUSINESS

CAPTURE GROWTH IN OUR GLOBAL FRP MARKETS

80% RECYCLED CONTENT IN OUR PRODUCTS BY 2020

- Commissioned Norf Recycling Facility
- Planned Recycling Investments for Brazil, South Korea and Europe
- Increased Recycled Content in Products from 33% in FY11 to 39% for FY12

Executing on Novelis' Strategy – FY12 Actions

CONTINUE TO STRENGTHEN THE BUSINESS

- Announced Divestiture of Three Foil Mills in Europe
- Announced Closure of Saguenay Plant in Canada
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CAPTURE GROWTH IN OUR GLOBAL FRP MARKETS

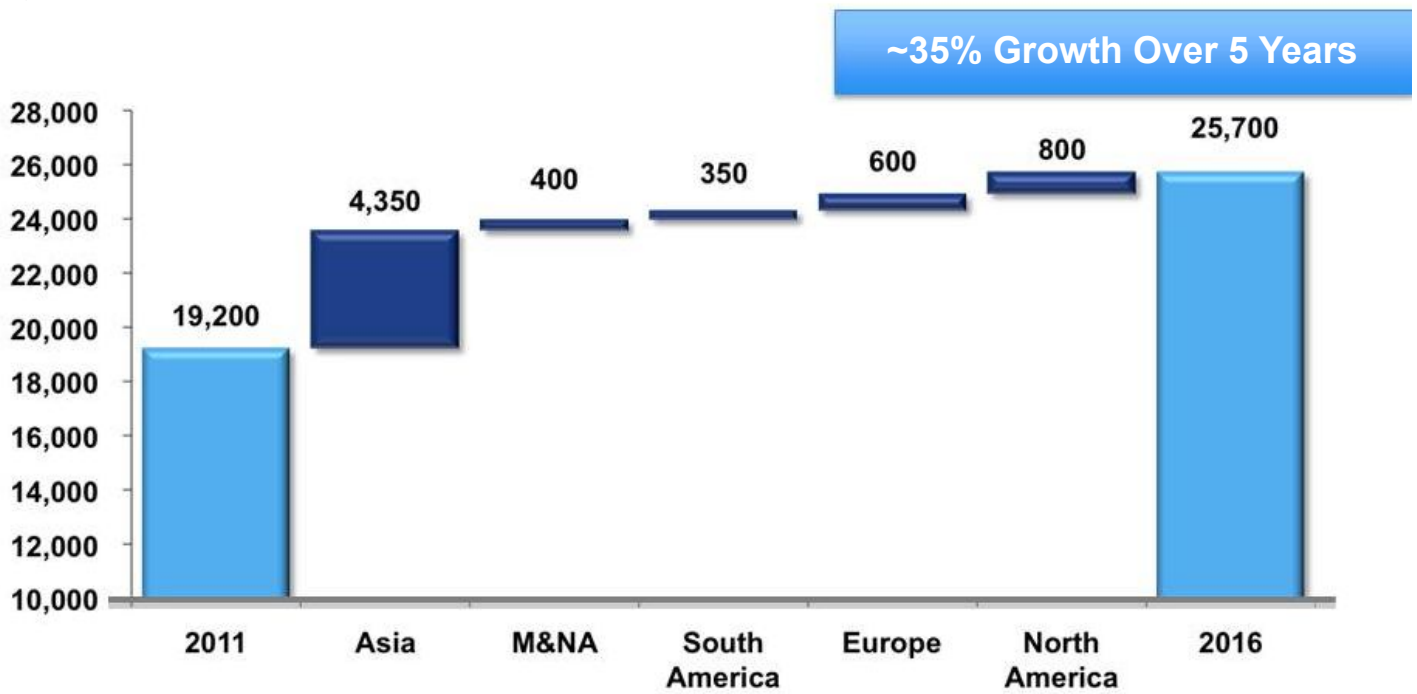
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80% RECYCLED CONTENT IN OUR PRODUCTS BY 2020

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Strong FRP Growth Worldwide (2011-2016)

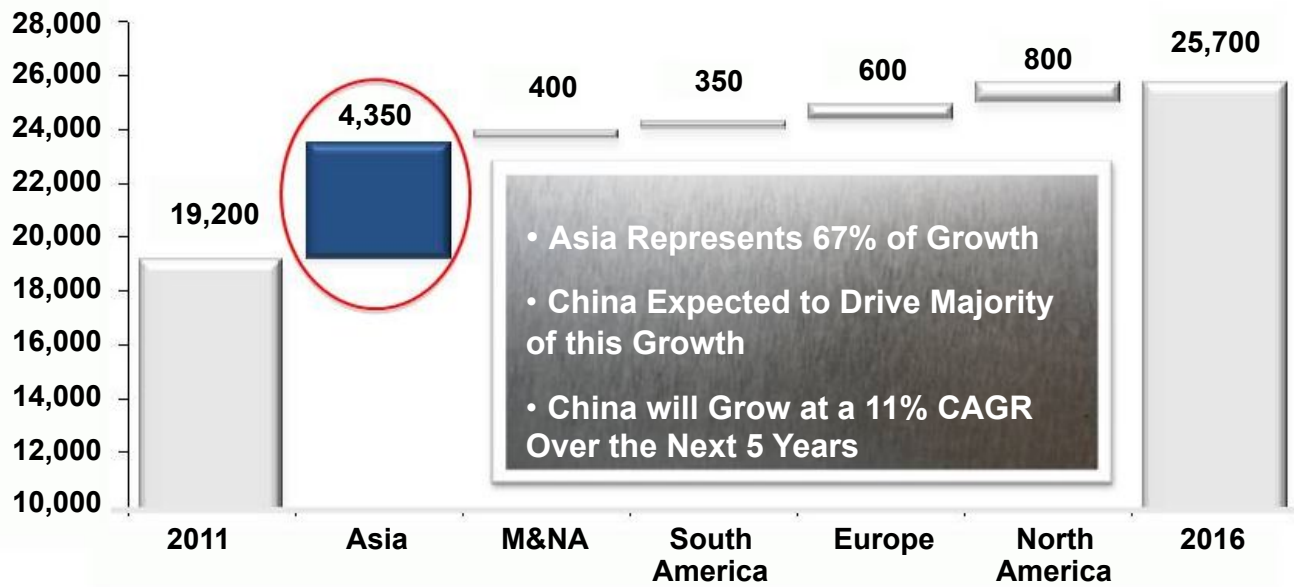
(Kt)



Strong Long-Term Outlook Supports Investments

Strong FRP Growth Worldwide (2011-2016)

(Kt)



Strong Long-Term Outlook Supports Investments

Novelis Enters China

NOVELIS TO BUILD ITS FIRST MANUFACTURING PLANT IN CHINA



- ▶ **China's First Plant for Aluminum Automotive Sheet**
- ▶ **~\$100 Million Plant Investment; ~120 kt Capacity**
- ▶ **Commissioning at the End of 2014**
- ▶ **Platform for Future Growth**

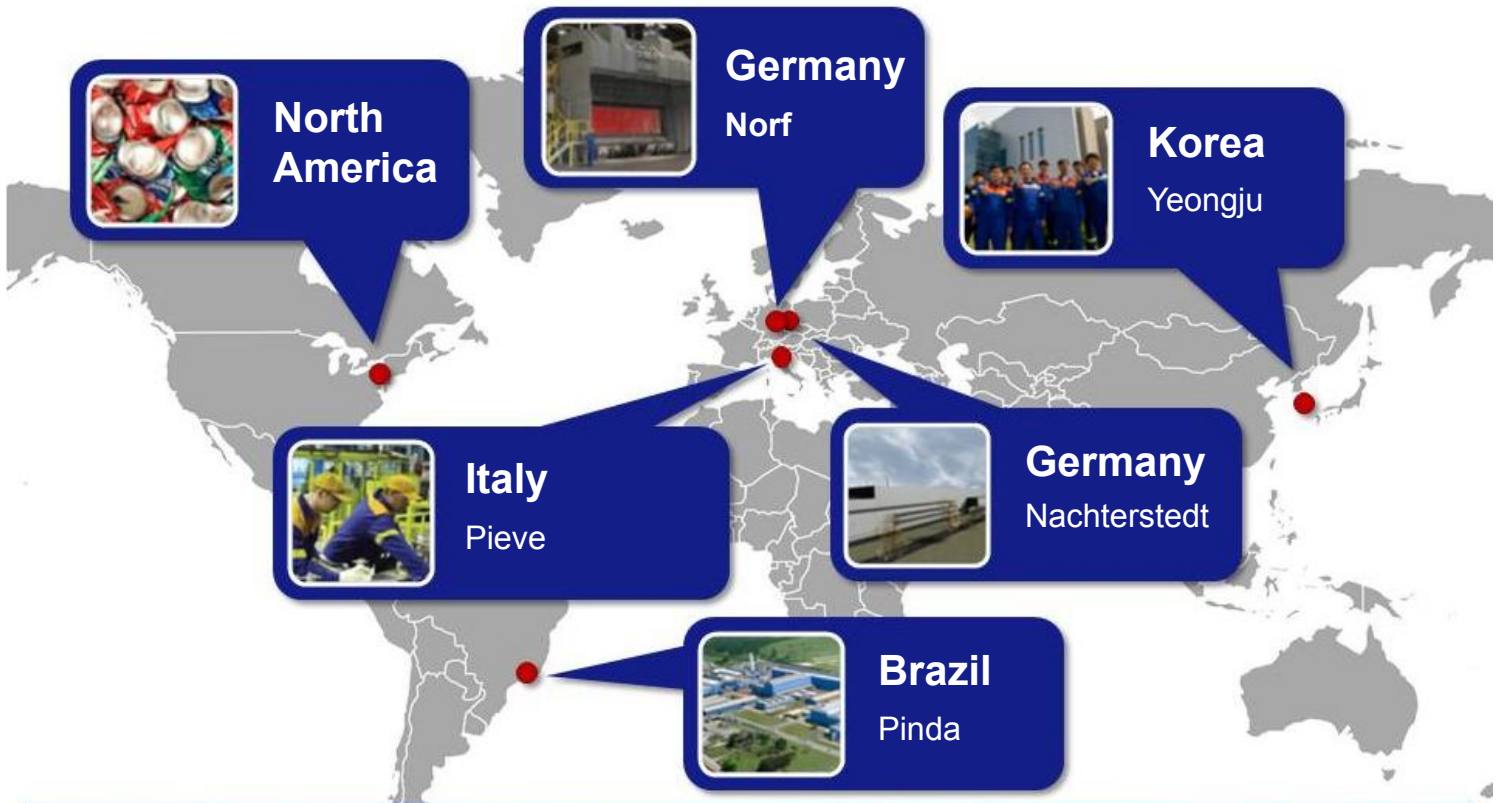
Global Rolling Strategic Investments

Shipments (Kt)



Strengthening Unmatched Global Rolling Footprint

Global Recycling Investments



Unmatched Global Recycling Footprint

DETAILED FINANCIAL PERFORMANCE

Fourth Quarter Financial Highlights

(Q4FY12 vs. Q4FY11)

- Shipments Down 9% to 703 Kilotonnes
- Net Sales Down 12% to \$2.6 Billion
- Adjusted EBITDA Down 17% to \$233 Million
- Free Cash Flow Before CapEx of \$318 Million
- Net Income, Excluding Special Items, of \$25 Million
- Net Loss of \$107 Million

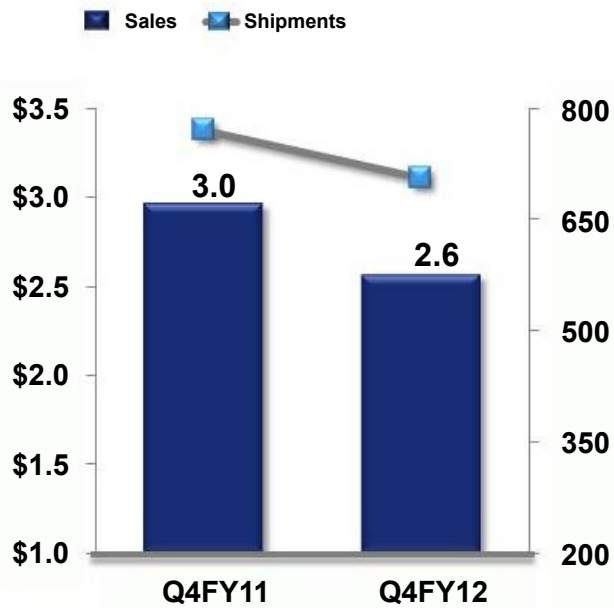


Demand Continuing to Improve Sequentially

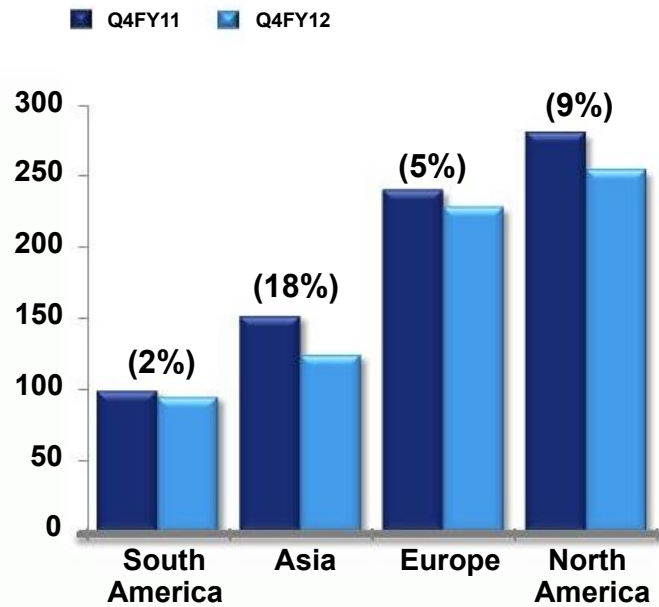
Shipments & Sales

Sales (Billions) • Shipments (Kt)

Total Company



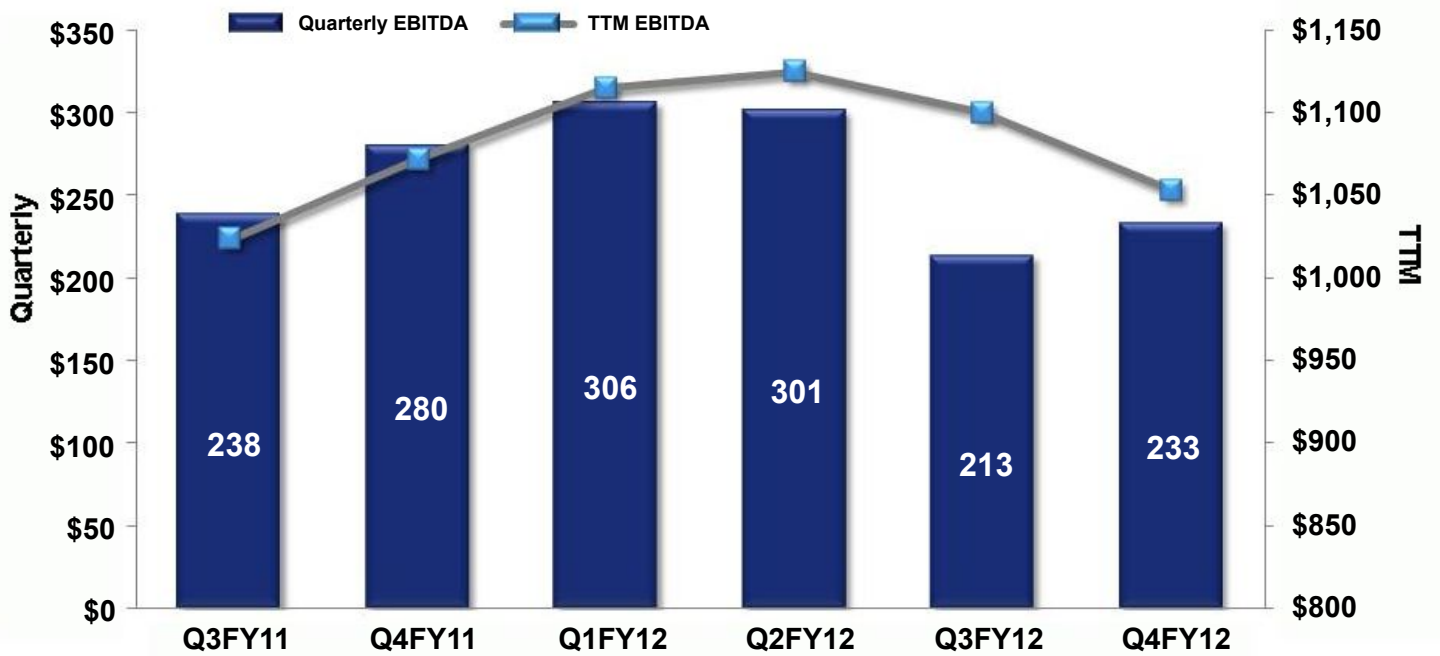
Shipments by Region



Short-term Softness in Most Regions

Adjusted EBITDA Trend

(Millions)

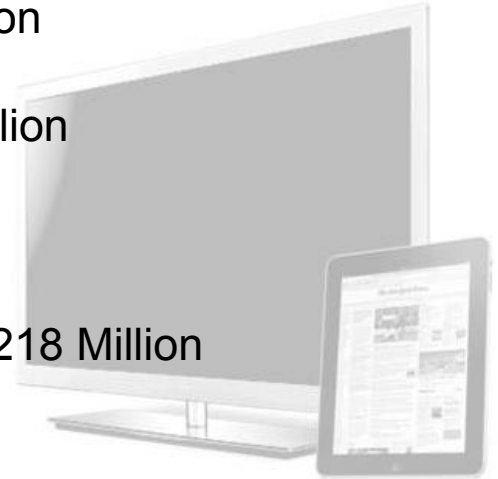


Short-term Softness Impacting EBITDA

FY12 Financial Highlights

(FY12 vs. FY11)

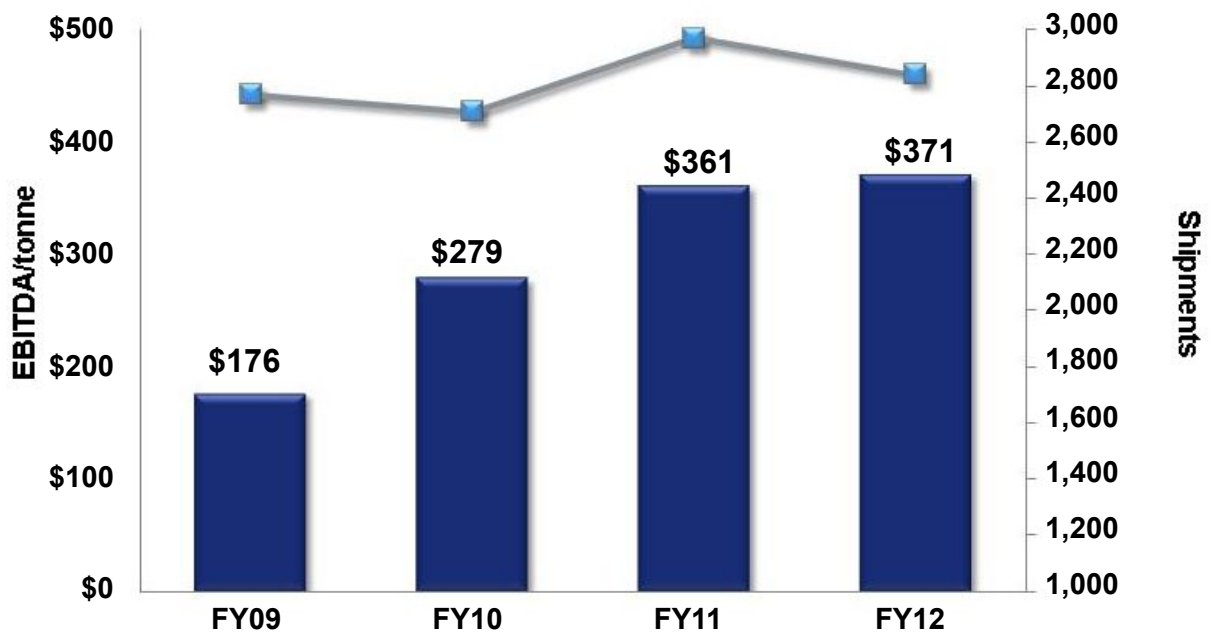
- Shipments Down 4% to 2,838 Kilotonnes
- Net Sales Up 5% to \$11 Billion
- Adjusted EBITDA Down 2% to \$1.053 Billion
- Free Cash Flow Before CapEx of \$614 Million
- Liquidity of \$1 Billion
- Net Income, Excluding Special Items, of \$218 Million
- Net Income of \$63 Million



Strong Performance & Execution throughout FY2012

Adjusted EBITDA/tonne & Shipments

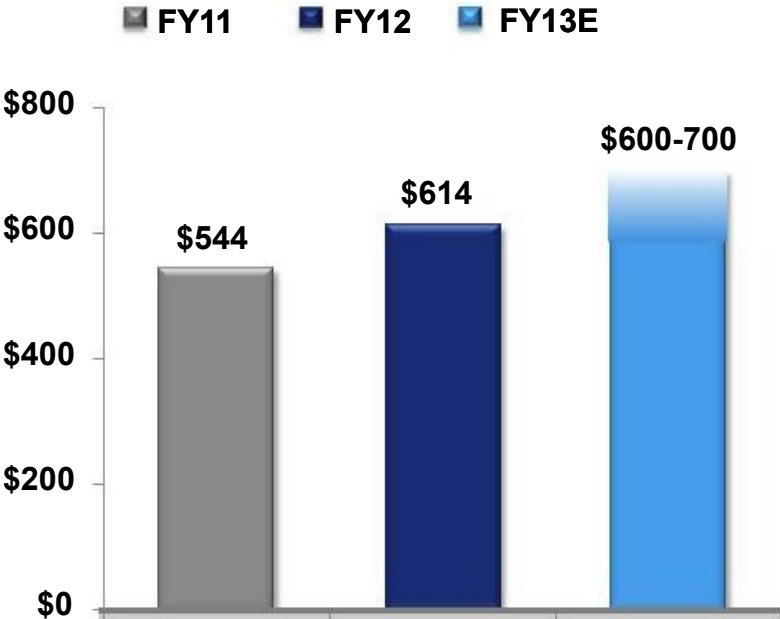
■ EBITDA/tonne ■ Shipments (Kts)



Record EBITDA/tonne Despite 4% Decrease in Shipments

Free Cash Flow Before CapEx

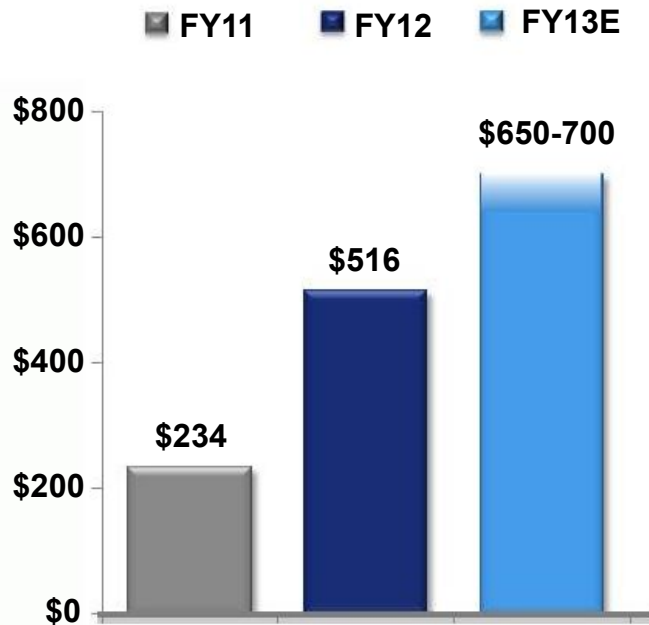
(Millions)



Strong Cash Flow Generation Continues

Capital Expenditures

(Millions)



FISCAL 2013 CAPEX:

- Brazil Mill Expansion
- South Korea Mill Expansion
- Automotive Capacity Increase in North America & China
- Global Recycling Initiatives

Continued Focus & Execution on Strategic Investments

SUMMARY & OUTLOOK

Summary & FY13 Outlook

- Executing on our Strategy
 - Taking Action to Strengthen the Business
 - Strategic Expansions Progressing Well
 - Making Progress Towards our Goal of 80% Recycled Content by 2020
- Unmatched Global Rolling & Recycling Footprint
- Adjusted EBITDA above FY12 \$1.05 Billion
 - Demand Recovery Continuing into FY13
- Free Cash Flow before CapEx of approximately \$600-700 Million
- Capital Expenditures of approximately \$650-700 Million

QUESTIONS AND ANSWERS

APPENDIX

Income Statement Reconciliation to Adjusted EBITDA

(in \$ m)	Q1 FY11	Q2 FY11	Q3 FY11	Q4 FY11	FY11	Q1 FY12	Q2 FY12	Q3 FY12	Q4 FY12	FY12
Net Income (loss) Attributable to Our Common Shareholder	50	62	(46)	50	116	62	120	(12)	(107)	63
- Interest, net	(36)	(37)	(42)	(79)	(194)	(73)	(73)	(71)	(73)	(290)
- Income tax (provision) benefit	(15)	(56)	(33)	21	(83)	(59)	7	10	3	(39)
- Depreciation and amortization	(103)	(104)	(100)	(97)	(404)	(89)	(81)	(79)	(80)	(329)
- Noncontrolling interests	(9)	(11)	(11)	(13)	(44)	(15)	(10)	(1)	(1)	(27)
EBITDA	213	270	140	218	841	298	277	129	44	748
- Unrealized gain (loss) on derivatives	(47)	1	9	(27)	(64)	26	(1)	(63)	(23)	(62)
- Realized gain on derivative instruments not included in segment income	-	-	4	1	5	2	-	(3)	2	1
- Loss on early extinguishment of debt	-	-	(74)	(10)	(84)	-	-	-	-	-
- Proportional consolidation	(10)	(11)	(10)	(14)	(45)	(13)	(12)	(9)	(15)	(49)
- Restructuring charges, net	(6)	(9)	(20)	1	(34)	(19)	(11)	(1)	(29)	(60)
- Loss on assets held for sale	-	-	-	-	-	-	-	-	(111)	(111)
- Others costs, net	13	(2)	(7)	(13)	(9)	(4)	-	(8)	(13)	(24)
Adjusted EBITDA	263	291	238	280	1,072	306	301	213	233	1,053
Other Income (expense) Included in Adjusted EBITDA										
- Metal price lag	9	19	-	(3)	25	5	15	8	(19)	9
- Foreign currency remeasurement	(22)	20	1	9	8	(8)	-	(2)	(4)	(14)
- Purchase accounting	(3)	(4)	(3)	(3)	(13)	(3)	(3)	(3)	(3)	(13)

Free Cash Flow

(in \$m)	FY11					FY12				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Cash Provided by (used in) Operating Activities	22	102	94	236	454	(115)	171	145	355	556
Cash Provided by (used in) Investing Activities	27	(2)	(39)	(99)	(113)	(79)	(40)	(72)	(251)	(442)
Less: Proceeds from Sales of Fixed Assets	(15)	(3)	(10)	(3)	(31)	0	1	(10)	(7)	(16)
Free Cash Flow	34	97	45	134	310	(194)	130	63	99	98

Explanation of Other Income (Expenses) Included in 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.