

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 12, 2013

NOVELIS INC.

(Exact name of Registrant as specified in its charter)

Canada 001-32312 98-0442987

(State or other jurisdiction (Commission File Number) (I.R.S. Employer of incorporation) 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) 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 August 12, 2013, Novelis Inc. issued a press release reporting the company's financial results for its quarter ended June 30, 2013. 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, Free Cash Flow, Free Cash Flow Before CapEx, Net Income (Loss) Excluding Certain Items and 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 certain derivative instruments, impairment of goodwill, impairment charges on long-lived assets, gains (losses) on extinguishment of debt, adjustment to include proportional consolidation, restructuring charges, and gains or losses on disposals of property, plant and equipment and businesses 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 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 and Free Cash Flow Before CapEx may not be consistent with that of other companies.

Net Income (Loss) Excluding Certain Items. Net Income (Loss) Excluding Certain Items adjusts net income (loss) for restructuring charges, gains (losses) on sale of assets held for sale, and the tax effect of such items. We adjust for items which may recur in varying magnitude which affect the comparability of the operational results of our underlying business. Novelis believes that Net 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 gains (losses) on sale of assets held for sale, and the tax effect of such certain items, management believes these excluded items are not reflective of fixed costs that the company believes it will incur over the long term. Management also adjusts for restructuring charges to enhance the comparability of the company's operating results between periods. However, the company has recorded similar charges in prior periods. The company will incur additional restructuring charges in connection with ongoing restructuring initiatives announced previously and may also incur additional restructuring charges in connection with future streamlining measures. Net Income (Loss) Excluding Certain Items should be considered in addition to, and not as a substitute for or superior to, results prepared in accordance with GAAP.

Liquidity. Liquidity consists of cash and cash equivalents plus availability under our committed credit facilities. In addition to presenting available cash and cash equivalents, management believes that presenting 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 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

At a meeting of the company's Board of Directors held on August 6, 2013, Mr. Satish Pai was appointed to serve as a director of the company until the next regular shareholder meeting. Mr. Pai will serve on the company's Compensation Committee.

Effective August 1, 2013, Mr. Pai, 51, serves as CEO - Aluminium Business of Hindalco Industries Limited, the company's parent company. Prior to joining Hindalco, Mr. Pai served as Executive Vice President, Worldwide Operations of Schlumberger Ltd. Mr. Pai joined Schlumberger Ltd. in 1985 as a field engineer and held various positions over the course of his 28-year career with the company.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press release, dated August 12, 2013 (furnished to the Commission as a part of this Form 8-K).

99.2 Presentation materials, dated August 12, 2013 (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: August 12, 2013

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 August 12, 2013 (furnished to the Commission as a part of this Form 8-K).
99.2	Presentation materials, dated August 12, 2013 (furnished to the Commission as a part of this Form 8-K).

News Release

Novelis Reports First Quarter of Fiscal Year 2014 Results

Excellent Execution on Global Strategic Expansions

- **Net Income, Excluding Certain Items, of \$21 million**
- **Adjusted EBITDA of \$204 million**
- **Solid Liquidity of \$730 million**
- **Began Commissioning Korean Rolling and North American Auto Finishing Expansions**

ATLANTA, August 12, 2013– Novelis, the world leader in aluminum rolling and recycling, today reported net income attributable to its common shareholder of \$14 million for the first quarter of fiscal 2014. Excluding certain tax-effected items, net income for first quarter of fiscal 2014 was \$21 million.

Adjusted EBITDA for the first quarter of fiscal 2014 was \$204 million, compared to \$259 million reported for the same period a year ago. This quarter's results included a non-recurring \$14 million amendment to the Company's employee Long-Term Incentive Plan. In addition, Novelis faced continued pricing headwinds and softer than expected demand for beverage can sheet partially driven by unfavorable weather conditions.

“Despite the challenges we faced in the first quarter, we maintained financial discipline through good cost control and will continue this focus on cost containment going forward,” commented Phil Martens, President and Chief Executive Officer for Novelis. “In addition, our global strategic expansions and favorable demand trends supported by the 2014 World Cup in Brazil and automotive material substitution towards aluminum sheet will also help drive our business forward in the second half of this fiscal year.”

Shipments of aluminum rolled products totaled 708 kilotonnes for the first quarter of fiscal 2014, down two percent compared to shipments of 722 kilotonnes for the same period last year.

Net sales for the first quarter of fiscal 2014 were \$2.4 billion compared to \$2.6 billion reported for the first quarter of fiscal 2013. This decrease was primarily due to a seven percent decline in average aluminum prices, lower shipments, and lower conversion premiums.

Fiscal 2014 is a transitional year for Novelis as it begins the commissioning process of several strategic global expansions to support future demand for premium products in can, automotive and specialty markets.

- In July, the Company began the commissioning process at both its new hot and cold mills in Korea. This largely completes the \$400 million investment in Korea to add approximately 350 kilotonnes of incremental rolling capacity, and 265 kilotonnes of recycling capacity that came online late last year.
- Novelis also began the commissioning process at its two new automotive finishing lines in North America last month. The commissioning process for this approximately 240 kilotonne expansion will ramp up through the remainder of this fiscal year.
- In addition, the Company's rolling expansion in Brazil continues to successfully accelerate production as expected with customer qualification largely complete.

(in \$M)	Q1FY14		Q4FY13	
	6/30/2013		3/31/2013	
Cash and cash equivalents	\$	249	\$	301
Availability under Committed Revolving Facilities		481		459
Total Liquidity	\$	730	\$	760

(in \$M)	Q1FY14		Q1FY13	
	6/30/2013		6/30/2012	
Free Cash Flow	\$	(289)	\$	(169)
CapEx		181		167
Free Cash Flow before CapEx	\$	(108)	\$	(2)

For the first quarter of fiscal 2014, Novelis reported solid liquidity of \$730 million. Free cash flow was a negative \$289 million for the first quarter of fiscal 2014 and capital expenditures totaled \$181 million. "As expected, we had negative cash flow in our first quarter primarily as a result of continued investment in our strategic expansions and \$107 million in semi-annual bond interest payments," said Steve Fisher, Chief Financial Officer for Novelis. "We've made good progress reducing inventory levels at the end of the first quarter and are continuing to drive working capital efficiencies and take other actions to improve free cash flow going forward."

First Quarter of Fiscal 2014 Earnings Conference Call

Novelis will discuss its first quarter of fiscal 2014 results via a live webcast and conference call for investors at 9:00 a.m. ET on Monday, August 12, 2013. Participants may access the webcast at <https://cc.callinfo.com/r/1jxqqr14iriat&eom>. To join by telephone, dial toll-free in North America at 800 771 6871, India toll-free at 0008001007108 or the international toll line at +1 212 231 2933. Access information may also be found at www.novelis.com/investors.

About Novelis

Novelis Inc. is the global leader in aluminum rolled products and the world's largest recycler of aluminum. The company operates in 9 countries, had approximately 11,000 employees and reported revenue of \$9.8 billion for its 2013 fiscal year. Novelis supplies premium aluminum sheet and foil products to transportation, packaging, construction, industrial and consumer electronics 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, visit www.novelis.com and follow us on Twitter at twitter.com/Novelis.

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 Net Income excluding Certain Items, 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. An example of forward looking statements in this new release is our expectation for favorable demand trends to help drive the business. 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, 2013 are specifically incorporated by reference into this news release.

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

	Quarter Ended	
	June 30,	
	2013	2012
Net sales	\$ 2,408	\$ 2,550
Cost of goods sold (exclusive of depreciation and amortization)	2,105	2,202
Selling, general and administrative expenses	120	102
Depreciation and amortization	77	73
Research and development expenses	10	12
Interest expense and amortization of debt issuance costs	76	74
Gain on assets held for sale	—	(5)
Restructuring charges, net	9	5
Equity in net loss of non-consolidated affiliates	4	2
Other income, net	(10)	(27)
	<u>2,391</u>	<u>2,438</u>
Income before income taxes	17	112
Income tax provision	3	21
Net income	14	91
Net income attributable to noncontrolling interests	—	—
Net income attributable to our common shareholder	<u>\$ 14</u>	<u>\$ 91</u>

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

	June 30,	March 31,
	2013	2013
ASSETS		
Current assets		
Cash and cash equivalents	\$ 249	\$ 301
Accounts receivable, net		
— third parties (net of allowances of \$3 as of June 30, 2013 and \$3 as of March 31, 2013)	1,477	1,447
— related parties	45	38
Inventories	1,147	1,168
Prepaid expenses and other current assets	103	93
Fair value of derivative instruments	96	109
Deferred income tax assets	132	112
Assets held for sale	9	9
Total current assets	3,258	3,277
Property, plant and equipment, net	3,201	3,104
Goodwill	611	611
Intangible assets, net	642	649
Investment in and advances to non-consolidated affiliates	633	627
Fair value of derivative instruments, net of current portion	1	1
Deferred income tax assets	46	75
Other long-term assets		
— third parties	166	165
— related parties	13	13
Total assets	\$ 8,571	\$ 8,522
LIABILITIES AND EQUITY		
Current liabilities		
Current portion of long-term debt	\$ 30	\$ 30
Short-term borrowings	719	468
Accounts payable		
— third parties	1,062	1,207
— related parties	50	47
Fair value of derivative instruments	117	74
Accrued expenses and other current liabilities	508	497
Deferred income tax liabilities	22	28
Liabilities held for sale	1	1
Total current liabilities	2,509	2,352
Long-term debt, net of current portion	4,423	4,434
Deferred income tax liabilities	423	504
Accrued postretirement benefits	738	731
Other long-term liabilities	268	262
Total liabilities	8,361	8,283
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, 2013 and March 31, 2013	—	—
Additional paid-in capital	1,654	1,654
Accumulated deficit	(1,163)	(1,177)
Accumulated other comprehensive loss	(310)	(268)
Total equity of our common shareholder	181	209
Noncontrolling interests	29	30

Total equity	<u>210</u>	<u>239</u>
Total liabilities and equity	<u>\$ 8,571</u>	<u>\$ 8,522</u>

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

	Three Months Ended June 30,	
	2013	2012
OPERATING ACTIVITIES		
Net income	\$ 14	\$ 91
Adjustments to determine net cash used in operating activities:		
Depreciation and amortization	77	73
Loss (gain) on unrealized derivatives and other realized derivatives in investing activities, net	23	(16)
Gain on assets held for sale	—	(5)
Deferred income taxes	(76)	(16)
Amortization of fair value adjustments, net	3	6
Equity in net loss of non-consolidated affiliates	4	2
Gain on foreign exchange remeasurement of debt	(2)	(7)
Loss (gain) on sale of assets	1	(2)
Amortization of debt issuance costs and carrying value adjustments	6	6
Other, net	(1)	1
Changes in assets and liabilities including assets and liabilities held for sale (net of effects from acquisitions and divestitures):		
Accounts receivable	(29)	16
Inventories	12	(75)
Accounts payable	(149)	19
Other current assets	3	(31)
Other current liabilities	13	(54)
Other noncurrent assets	2	(2)
Other noncurrent liabilities	(3)	(11)
Net cash used in operating activities	(102)	(5)
INVESTING ACTIVITIES		
Capital expenditures	(181)	(167)
Proceeds from sales of assets, third party, net	—	10
Proceeds from sale of assets, related party, net	—	2
Proceeds from related party loans receivable, net	—	2
Proceeds (outflow) from settlement of other undesignated derivative instruments, net	(6)	1
Net cash used in investing activities	(187)	(152)
FINANCING ACTIVITIES		
Proceeds from issuance of debt	42	12
Principal payments	(17)	(5)
Short-term borrowings, net	219	92
Dividends, noncontrolling interest	—	(1)
Debt issuance costs	(7)	—
Net cash provided by financing activities	237	98
Net decrease in cash and cash equivalents	(52)	(59)
Effect of exchange rate changes on cash	—	5
Cash and cash equivalents — beginning of period	301	317
Cash and cash equivalents — end of period	\$ 249	\$ 263

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,	
	2013	2012
Net income attributable to our common shareholder	\$ 14	\$ 91
Income tax provision	(3)	(21)
Interest, net	(75)	(73)
Depreciation and amortization	(77)	(73)
EBITDA	169	258
Unrealized gain (loss) on derivatives	(12)	13
Realized gain on derivative instruments not included in segment income	2	2
Proportional consolidation	(11)	(11)
Gain on assets held for sale	—	5
Restructuring charges, net	(9)	(5)
Other income, net	(5)	(5)
Adjusted EBITDA	\$ 204	\$ 259

The following table shows the "Free cash flow" for the three months ended June 30, 2013 and 2012 and the ending balances of cash and cash equivalents (in millions).

	Quarter Ended June 30,	
	2013	2012
Net cash used in operating activities	\$ (102)	\$ (5)
Net cash used in investing activities	(187)	(152)
Less: Proceeds from sales of assets	—	(12)
Free cash flow	\$ (289)	\$ (169)
Ending cash and cash equivalents	\$ 249	263

The following table shows Net Income attributable to our common shareholder excluding Certain Items for the three months ended June 30, 2013 and 2012 (in millions). We adjust for items which may recur in varying magnitude which affect the comparability of the operational results of our underlying business.

	Quarter ended June 30,	
	2013	2012
Net Income	\$ 14	\$ 91
Certain Items:		
Gain on assets held for sale	—	(5)
Restructuring charges	9	5
Tax effect on Certain Items	(2)	—
Net Income, excluding Certain Items	\$ 21	\$ 91



Novelis Q1 Fiscal Year 2014 Earnings Conference Call

August 12, 2013

Philip Martens
President and Chief Executive Officer

Steve Fisher
Senior Vice President and Chief Financial Officer

Novelis

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 expected FRP market growth globally and in our key product segments of beverage can, automotive and specialties. 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, 2013 are specifically incorporated by reference into this presentation.

Non-GAAP Financial Measures

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Agenda

- **Business Review**
- **Novelis Strategy**
- **Detailed Financial Performance**
- **Summary & Outlook**

Business Review

Novelis

First Quarter Highlights

- **Softer than Expected Demand in Can; Continued Strength in Auto**
- **Negative Regional Pricing Impacts**
- **Focus on Cost Control and Driving Recycling Benefits**
- **Excellent Progress on Strategic Expansions**



Regional Business Highlights



Novelis' Strategy

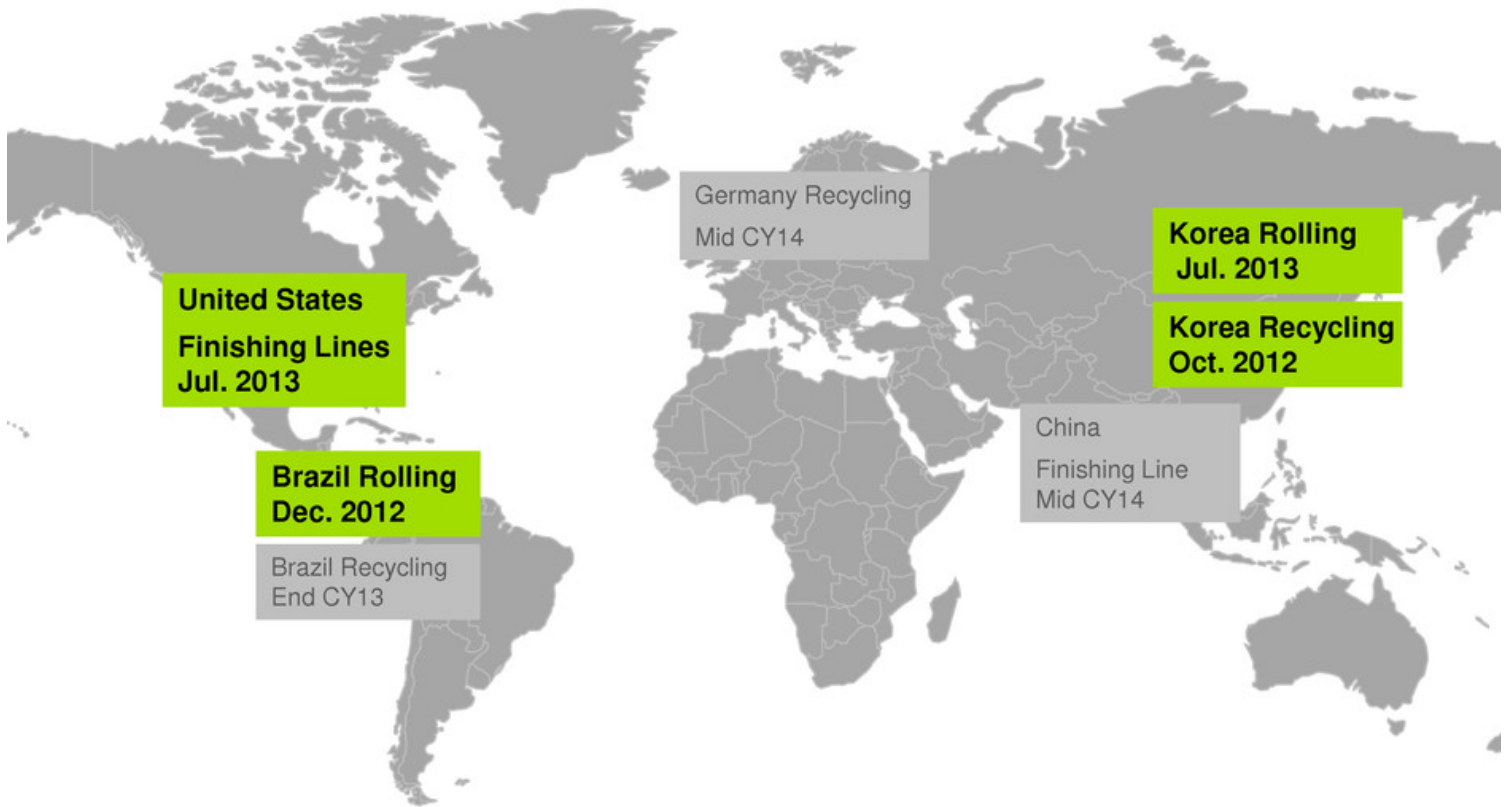
Novelis

Global Strategic Investments



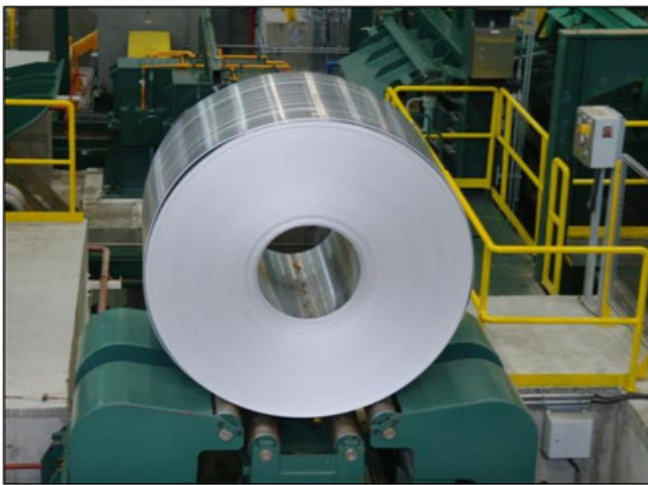
Strengthening Novelis' Global Footprint

Global Investments in Commissioning Process



Solid Execution of Strategic Expansions

Korea Rolling Mill Commissioned



©2013Novelis Inc.

- ~350kt Incremental Rolling Capacity at Ulsan & Yeongju Began Commissioning July 2013
 - Accelerated Ramp to Full Capacity over Approximately Two Years
 - Will Contribute ~60kt Shipments in FY14
- Largely Completes ~\$400 Million Rolling & Recycling Expansion in Asia

Not just aluminum, Novelis Aluminum.

North America Auto Finishing Lines



©2013Novelis Inc.

- ~240kt Automotive Finishing Lines in Oswego Began Commissioning July 2013
 - Commissioning Ramp will Accelerate Through Remainder of Fiscal Year
- Undergoing Customer Qualification Process

Not just aluminum, Novelis Aluminum.

Detailed Financial Performance

Novelis

First Quarter Highlights

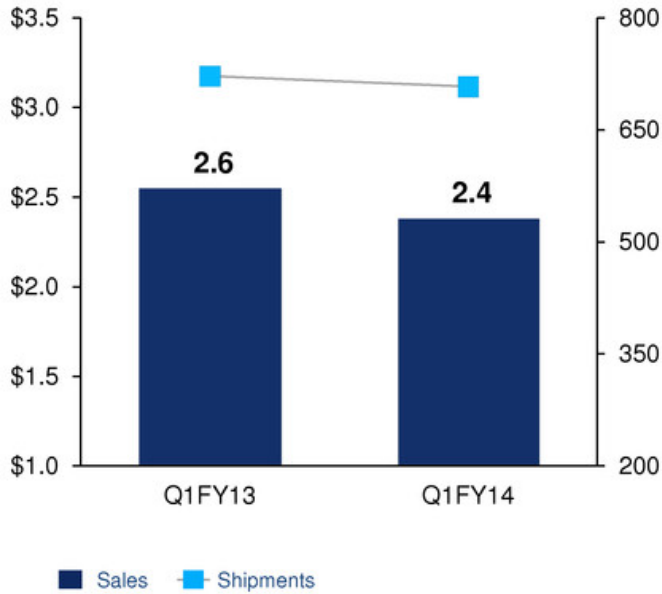
(Q1FY14 vs. Q1FY13)

- **Shipments Down 2% to 708 Kilotonnes**
- **Adjusted EBITDA Down 21% to \$204 Million**
- **Net Income of \$14 Million; Excluding Certain Items, Net Income \$21 Million**
- **Negative Free Cash Flow Before CapEx of \$108 Million**
- **Liquidity of \$730 Million**

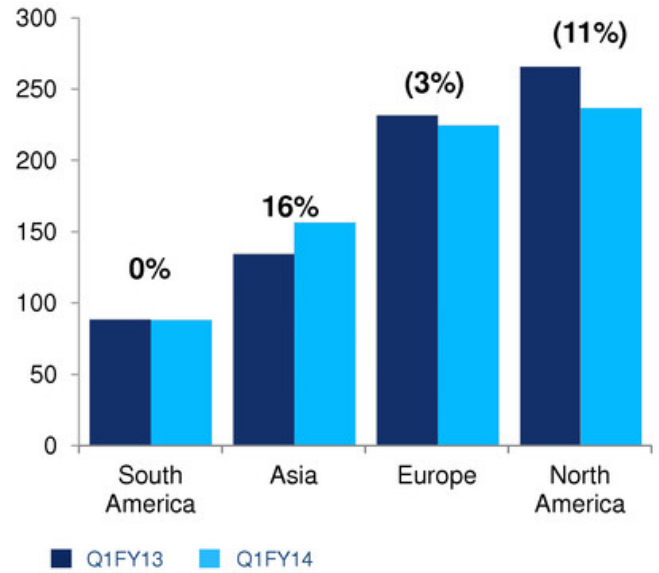
Shipments & Sales

Sales (Billions) • Third Party Shipments (Kt)

Total Company



Shipments by Region



Q1FY14 Adjusted EBITDA

(Millions)

Q1FY13	\$259	
L-T Incentive Plan Conversion	(14)	One-time employee plan amendment
Volume	(16)	Lower priced contracts, higher local market premium in Asia, and unfavorable mix in Europe with offsetting cost savings
Price/Mix	(48)	
Cost	23	Significant scrap benefits and cost containment partially offset by Inflation and higher fixed cost base
FX/Metal Price Lag/Other	0	Favorable FX in Europe and Primary Operations offset Metal Price Lag
Q1FY14	\$204	

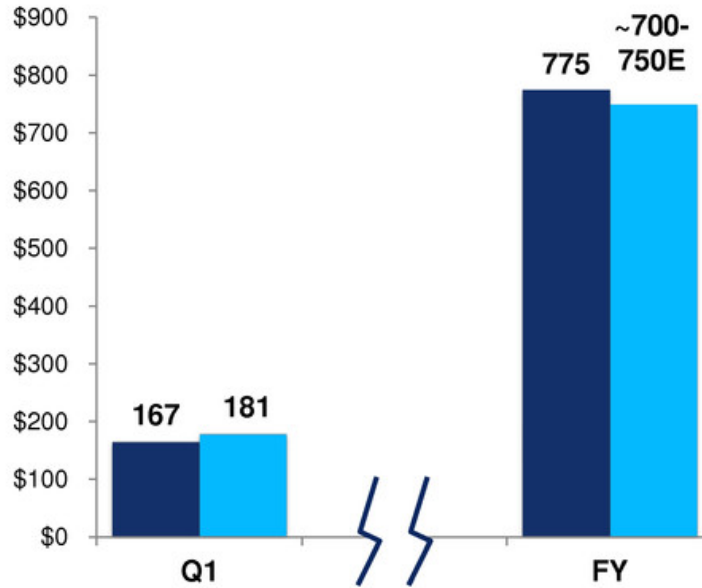
Pricing Dynamics

	Pricing Challenge	Opportunity to Offset
North America	<ul style="list-style-type: none">▪ Overhang of Excess Mill Capacity in Mature Can Market	<ul style="list-style-type: none">▪ Increased Demand for Auto will Constrain Hot Mill Capacity and Rebalance Supply & Demand
Asia	<ul style="list-style-type: none">▪ Regional Premiums Doubled Over the Last Year▪ Increased Competition due to Open Capacity from Slower Growth in China	<ul style="list-style-type: none">▪ Minimize Impact by Increasing Scrap Inputs▪ Resurgence of Growth in China

Capital Expenditures

(Millions)

■ FY13 ■ FY14

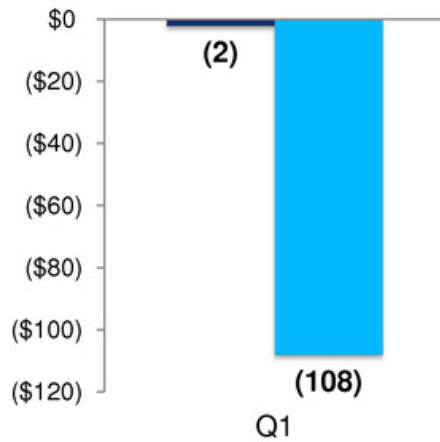


Another Key Capital Investment Year to Capture Future Growth

Free Cash Flow Before CapEx

(Millions)

■ FY13 ■ FY14



Negative Q1 FCF before Capex Driven by:

- Semi-Annual Bond Interest Payment of \$107 Million
- Higher Working Capital

Summary & Outlook

Novelis

Summary

- **Softer than Expected Can Demand Offset by Continued Strength in Auto**
- **Focus on Cost Containment & Driving Recycling Benefits to Help Offset Pricing Pressures**
- **Excellent Progress on Strategic Expansions**

Outlook – 2HFY14

- **Improving Global Demand in Key Product Segments**
 - Normalized Weather Patterns
 - World Cup in Brazil
 - Continued Substitution to Aluminum Automotive Sheet
- **Continued Cost Containment Efforts**
 - Increased Benefits from Higher Use of Recycled Inputs
- **Expansions Driving Growth**
 - Increased Rolling Capacity in Brazil and Korea

Questions & Answers

Novelis

Appendix

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Income Statement Reconciliation To Adjusted EBITDA

(in \$ m)	Q1 FY13	Q2 FY13	Q3 FY13	Q4 FY13	FY13	Q1 FY14
Net Income (loss) Attributable to Our Common Shareholder	91	49	3	59	202	14
- Interest, net	(73)	(72)	(74)	(73)	(293)	(75)
- Income tax (provision) benefit	(21)	(37)	(11)	(14)	(83)	(3)
- Depreciation and amortization	(73)	(69)	(76)	(74)	(292)	(77)
- Noncontrolling interests	-	(1)	-	-	(1)	-
EBITDA	258	228	164	220	871	169
- Unrealized gain (loss) on derivatives	13	(24)	4	21	14	(12)
- Realized gain (loss) on derivative instruments not included in segment income	2	-	-	3	5	2
- Proportional consolidation	(11)	(9)	(11)	(10)	(41)	(11)
- Restructuring charges, net	(5)	(16)	(5)	(19)	(45)	(9)
- Gain (loss) on assets held for sale	5	(2)	-	-	3	-
- Gain (loss) on Extinguishment of Debt	-	-	-	(7)	(7)	-
- Others costs, net	(5)	2	(9)	(8)	(19)	(5)
Adjusted EBITDA	259	277	185	240	961	204
Other Income (expense) Included in Adjusted EBITDA						
- Metal price lag	6	26	(9)	(0)	23	(2)
- Foreign currency remeasurement	4	2	1	0	6	3
- Purchase accounting	(3)	(3)	(3)	(3)	(13)	(3)

Free Cash Flow

(in \$m)	FY13				Full Year	FY14
	Q1	Q2	Q3	Q4		Q1
Cash Provided by (used in) Operating Activities	(5)	122	(95)	181	203	(102)
Cash Provided by (used in) Investing Activities	(152)	(152)	(201)	(242)	(747)	(187)
Less: Proceeds from Sales of Fixed Assets	(12)	5	(13)	(1)	(21)	-
Free Cash Flow	(169)	(25)	(309)	(62)	(565)	(289)

Explanation of Other Income (Expense) 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 the impact of this “lag”.

2) Foreign Currency Remeasurement Net of Related Hedges:

All Balance Sheet accounts not denominated in functional currency are remeasured every period to the period end exchange rates. This impacts our profitability. Like Metal Price Lag, we have a risk management program in place to minimize the 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.

