

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): February 9, 2015

NOVELIS INC.

(Exact name of Registrant as specified in its charter)

Canada 01-32312 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) 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 February 9, 2015, Novelis Inc. issued a press release reporting the company's financial results for its quarter ended December 31, 2014. 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: 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 derivative instruments, net, except for foreign currency remeasurement hedging activities; impairment of goodwill; gains (losses) on extinguishment of debt; adjustment to include proportional consolidation; restructuring and impairment charges; 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's 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 certain items. Net income (loss) excluding certain items adjusts net income (loss) for restructuring and impairment 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 and impairment 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 and impairment charges in connection with future streamlining measures. The company may also incur additional impairment charges unrelated to restructuring initiatives. 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 U.S. 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 U.S. 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.

Exhibits.

(d)

- 99.1 Press release, dated February 9, 2015 (furnished to the Commission as a part of this Form 8-K).
- 99.2 Presentation materials, dated February 9, 2015 (furnished to the Commission as a part of this Form 8-K).

EXHIBIT INDEX

Exhibit Number	Description
99.1	Press release, dated February 9, 2015 (furnished to the Commission as a part of this Form 8-K).
99.2	Presentation materials, dated February 9, 2015 (furnished to the Commission as a part of this Form 8-K).

News Release

Novelis Reports Strong Results for Third Quarter of Fiscal Year 2015

New Business Model Drives Significant Improvement in Year-Over-Year Results

- **Net Income Grows to \$46 Million**
- **Sales Increase 18% to \$2.8 Billion**
- **Adjusted EBITDA Increases 16% to \$236 Million**
- **Shipments Increase 5% to 757 Kilotonnes, a Record Third Quarter**
- **North American Auto Facilities Accelerating Production to Meet Customer Demand**

ATLANTA, February 9, 2015 – Novelis, the world leader in aluminum rolling and recycling, today reported net income grew to \$46 million for the third quarter of fiscal year 2015, up significantly from the \$13 million reported in the third quarter of fiscal year 2014. Excluding certain tax-effected items in both periods, net income is \$60 million for the third quarter of fiscal 2015, more than double the \$23 million reported in the prior year period.

Adjusted EBITDA for the third quarter of fiscal 2015 was \$236 million, a 16% increase compared to the \$203 million reported for the prior year. The increase was primarily driven by higher shipments as a result of strategic capacity expansions in Asia and South America, favorable product mix, and cost benefits from using recycled metal inputs.

"Our strong third quarter results are a clear demonstration that our new business model is delivering benefits," said Phil Martens, President and Chief Executive Officer for Novelis. "By shifting our portfolio to more premium products in high-growth markets and advancing our recycling operations, we set record can and automotive shipments, generated significantly higher earnings, and achieved our mid-decade goal of having 50% recycled content in our products."

Third quarter fiscal 2015 revenues climbed 18% to \$2.8 billion compared to \$2.4 billion for the third quarter of fiscal 2014. Revenue growth was driven by a 5% increase in shipments of rolled aluminum products to 757 kilotonnes for the third quarter of fiscal 2015 compared to 721 kilotonnes in the prior year period. All four operating regions reported an increase in shipments year-over-year. Higher metal prices also contributed to the increase in revenue.

"Our earnings will further improve in the fourth quarter as we near the full production run-rate of automotive sheet for Ford, ship at record levels, and further ramp up new recycling facilities in Germany and Brazil," said Martens. "However, this growth will be tempered by negative currency headwinds in Europe, challenging pricing dynamics in Asia, and reduced production related to the Logan hot mill outage in North America last month. In spite of these market challenges, we still expect EBITDA for the second half of fiscal 2015 will be higher than in the first half of the year."

(in \$M)	Q3FY15		Q3FY14	
	12/31/2014		12/31/2013	
Free Cash Flow	\$	(12)	\$	(61)
Capital Expenditures	\$	104	\$	157
Free Cash Flow before CapEx	\$	92	\$	96

The company reported negative free cash flow of \$(12) million in the third quarter, a \$49 million increase over the prior year. "Free cash flow increased in the third quarter despite rising aluminum prices due to stronger EBITDA, lower capital spending, and working capital initiatives," said Steve Fisher, Chief Financial Officer for Novelis. "Higher EBITDA and the benefits from structurally reducing working capital will allow us to generate positive free cash flow by fiscal year end."

At the end of the third quarter, the company reported liquidity of \$839 million.

Third Quarter of Fiscal Year 2015 Earnings Conference Call

Novelis will discuss its third quarter of fiscal year 2015 results via a live webcast and conference call for investors at 8:00 a.m. ET on Monday, February 9, 2015. To view slides and listen only, visit the web at <https://cc.callinfo.com/r/zg71zunzwkyf&eom>. To join by telephone, dial toll-free in North America at 800 732 6870, India toll-free at 0008008521504 or the international toll line at +1 212 231 2905. Presentation materials and access information may also be found at 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 11 countries, has approximately 10,900 employees and reported revenue of approximately \$10 billion for its 2014 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. The company is part of the Aditya Birla Group, a multinational conglomerate based in Mumbai, India. For more information, visit novelis.com and follow us at facebook.com/NovelisInc and 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 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, Reconciliation to Liquidity and Net Income excluding Certain Items, and Segment Information.

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 news release is our expectation that we will reduce working capital and generate positive free cash flow by the end of the fiscal year. Novelis cautions that, by their nature, forward-looking statements involve risk and uncertainty and 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, derivative instruments, environmental, health or safety compliance; changes in interest rates that have the effect of increasing the amounts we pay under our credit facilities 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, 2014 are specifically incorporated by reference into this news release.

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

	<u>Three Months Ended December 31,</u>		<u>Nine Months Ended December 31,</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Net sales	\$ 2,847	\$ 2,403	\$ 8,358	\$ 7,218
Cost of goods sold (exclusive of depreciation and amortization)	2,498	2,093	7,310	6,265
Selling, general and administrative expenses	108	115	319	344
Depreciation and amortization	87	91	266	247
Research and development expenses	14	12	38	34
Interest expense and amortization of debt issuance costs	85	76	248	227
Gain on assets held for sale	(12)	(6)	(23)	(6)
Restructuring and impairment, net	25	19	38	46
Equity in net loss of non-consolidated affiliates	2	5	4	12
Other (income) expense, net	(9)	(12)	14	(27)
	<u>2,798</u>	<u>2,393</u>	<u>8,214</u>	<u>7,142</u>
Income before income taxes	49	10	144	76
Income tax provision (benefit)	3	(3)	25	26
Net income	46	13	119	50
Net income attributable to noncontrolling interests	—	—	—	—
Net income attributable to our common shareholder	<u>\$ 46</u>	<u>\$ 13</u>	<u>\$ 119</u>	<u>\$ 50</u>

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

ASSETS	December 31, 2014	March 31, 2014
Current assets		
Cash and cash equivalents	\$ 387	\$ 509
Accounts receivable, net		
— third parties (net of uncollectible accounts of \$4 as of December 31, 2014 and March 31, 2014)	1,473	1,382
— related parties	63	54
Inventories	1,534	1,173
Prepaid expenses and other current assets	153	101
Fair value of derivative instruments	117	51
Deferred income tax assets	64	101
Assets held for sale	22	102
Total current assets	3,813	3,473
Property, plant and equipment, net	3,503	3,513
Goodwill	607	611
Intangible assets, net	599	640
Investment in and advances to non-consolidated affiliates	534	612
Deferred income tax assets	67	80
Other long-term assets		
— third parties	150	173
— related parties	11	12
Total assets	\$ 9,284	\$ 9,114
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Current portion of long-term debt	\$ 108	\$ 92
Short-term borrowings	1,031	723
Accounts payable		
— third parties	1,746	1,418
— related parties	55	53
Fair value of derivative instruments	99	60
Accrued expenses and other current liabilities		
— third parties	512	547
— related party	—	250
Deferred income tax liabilities	42	16
Liabilities held for sale	—	11
Total current liabilities	3,593	3,170
Long-term debt, net of current portion	4,328	4,359
Deferred income tax liabilities	305	425
Accrued postretirement benefits	595	621
Other long-term liabilities	250	271

Total liabilities	<u>9,071</u>	<u>8,846</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 December 31, 2014 and March 31, 2014	—	—
Additional paid-in capital	1,404	1,404
Accumulated deficit	(954)	(1,073)
Accumulated other comprehensive loss	(263)	(91)
Total equity of our common shareholder	<u>187</u>	<u>240</u>
Noncontrolling interests	<u>26</u>	<u>28</u>
Total equity	<u>213</u>	<u>268</u>
Total liabilities and equity	<u>\$ 9,284</u>	<u>\$ 9,114</u>

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

	Nine Months Ended December 31,	
	2014	2013
OPERATING ACTIVITIES		
Net income	\$ 119	\$ 50
Adjustments to determine net cash provided by operating activities:		
Depreciation and amortization	266	247
Loss on unrealized derivatives and other realized derivatives in investing activities, net	6	9
Gain on assets held for sale, net	(23)	(6)
Loss on sale of assets	4	4
Impairment charges	7	19
Deferred income taxes	(46)	(45)
Amortization of fair value adjustments	9	9
Equity in net loss of non-consolidated affiliates	4	12
Gain on foreign exchange remeasurement of debt	(4)	(3)
Amortization of debt issuance costs and carrying value adjustment	19	19
Other, net	—	(6)
Changes in assets and liabilities including assets and liabilities held for sale (net of effects from divestitures):		
Accounts receivable	(176)	151
Inventories	(437)	(30)
Accounts payable	427	(22)
Other current assets	(62)	35
Other current liabilities	(6)	(89)
Other noncurrent assets	3	(1)
Other noncurrent liabilities	(23)	3
Net cash provided by operating activities	87	356
INVESTING ACTIVITIES		
Capital expenditures	(368)	(522)
Proceeds from sales of assets, third party, net of transaction fees and hedging	100	7
Proceeds from the sale of assets, related party, net of transaction fees	—	8
Outflows from investments in and advances to non-consolidated affiliates, net	(17)	(12)
Proceeds from settlement of other undesignated derivative instruments, net	1	6
Net cash used in investing activities	(284)	(513)
FINANCING ACTIVITIES		
Proceeds from issuance of long-term and short-term borrowings	303	138
Principal payments of long-term and short-term borrowings	(209)	(113)
Revolving credit facilities and other, net	238	359
Return of capital to our common shareholder	(250)	—
Dividends, noncontrolling interest	(1)	—
Debt issuance costs	(3)	(8)
Net cash provided by financing activities	78	376
Net (decrease) increase in cash and cash equivalents	(119)	219
Effect of exchange rate changes on cash	(3)	7
Cash and cash equivalents — beginning of period	509	301
Cash and cash equivalents — end of period	\$ 387	\$ 527

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)	Three Months Ended December 31,		Nine Months Ended December 31,	
	2014	2013	2014	2013
Net income attributable to our common shareholder	\$ 46	\$ 13	\$ 119	\$ 50
Income tax (provision) benefit	(3)	3	(25)	(26)
Interest, net	(84)	(74)	(244)	(223)
Depreciation and amortization	(87)	(91)	(266)	(247)
EBITDA	220	175	654	546
Unrealized gains (losses) on change in fair value of derivative instruments, net	12	3	12	(5)
Realized (losses) gains on derivative instruments not included in segment income	(3)	2	(4)	6
Adjustment to eliminate proportional consolidation	(10)	(11)	(27)	(30)
Loss on sale of fixed assets	(1)	(2)	(4)	(4)
Gain on assets held for sale, net	12	6	23	6
Restructuring and impairment, net	(25)	(19)	(38)	(46)
Other expense, net	(1)	(7)	(9)	(16)
Adjusted EBITDA	<u>\$ 236</u>	<u>\$ 203</u>	<u>\$ 701</u>	<u>\$ 635</u>

Free Cash Flow and Cash and Cash Equivalents

The following table shows the "Free cash flow" for the nine months ended December 31, 2014 and 2013 and the ending balances of cash and cash equivalents (in millions).

	Nine Months Ended December 31,	
	2014	2013
Net cash provided by operating activities	\$ 87	\$ 356
Net cash used in investing activities	(284)	(513)
Less: Proceeds from sales of assets	(100)	(15)
Free cash flow	\$ (297)	\$ (172)
Ending cash and cash equivalents	<u>\$ 387</u>	<u>527</u>

Total Liquidity

The following table shows available liquidity as of December 31, 2014 and March 31, 2014 (in millions).

	December 31,	March 31,
	2014	2014
Cash and cash equivalents	\$ 387	\$ 509
Availability under committed credit facilities	452	511
Total liquidity	<u>\$ 839</u>	<u>\$ 1,020</u>

Reconciliation of Net Income to Net Income, excluding Certain Items

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

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2014	2013	2014	2013
Net income attributable to our common shareholder	\$ 46	\$ 13	\$ 119	\$ 50
Certain Items:				
Gain on assets held for sale, net	(12)	(6)	(23)	(6)
Restructuring and impairment, net	25	19	38	46
Tax effect on Certain Items	1	(3)	(2)	(9)
Net income attributable to our common shareholder, excluding Certain Items	<u>\$ 60</u>	<u>\$ 23</u>	<u>\$ 132</u>	<u>\$ 81</u>

Segment Information

The following table shows selected segment financial information (in millions, except shipments which are in kilotonnes).

Selected Operating Results Three Months Ended December 31, 2014	North America	Europe	Asia	South America	Other and Eliminations	Total
Adjusted EBITDA	\$ 71	\$ 57	\$ 33	\$ 75	\$ —	\$ 236
Shipments						
Rolled products - third party	255	205	177	120	—	757
Rolled products - intersegment	—	13	21	9	(43)	—
Total rolled products	255	218	198	129	(43)	757
Selected Operating Results Three Months Ended December 31, 2013	North America	Europe	Asia	South America	Other and Eliminations	Total
Adjusted EBITDA	\$ 45	\$ 61	\$ 40	\$ 58	\$ (1)	\$ 203
Shipments						
Rolled products - third party	235	204	164	118	—	721
Rolled products - intersegment	—	8	1	5	(14)	—
Total rolled products	235	212	165	123	(14)	721
Selected Operating Results Nine Months Ended December 31, 2014	North America	Europe	Asia	South America	Other and Eliminations	Total
Adjusted EBITDA	\$ 211	\$ 211	\$ 106	\$ 171	\$ 2	\$ 701
Shipments						
Rolled products - third party	762	665	528	337	—	2,292
Rolled products - intersegment	2	33	44	22	(101)	—
Total rolled products	764	698	572	359	(101)	2,292
Selected Operating Results Nine Months Ended December 31, 2013	North America	Europe	Asia	South America	Other and Eliminations	Total
Adjusted EBITDA	\$ 161	\$ 192	\$ 127	\$ 156	\$ (1)	\$ 635
Shipments						
Rolled products - third party	709	645	476	312	—	2,142
Rolled products - intersegment	2	24	7	11	(44)	—
Total rolled products	711	669	483	323	(44)	2,142



Novelis Q3 Fiscal Year 2015 Earnings Conference Call

February 9, 2015

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 positive full year FY15 cash flow. 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 credit facilities 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, 2014 are specifically incorporated by reference into this presentation.

Business Highlights

Novelis

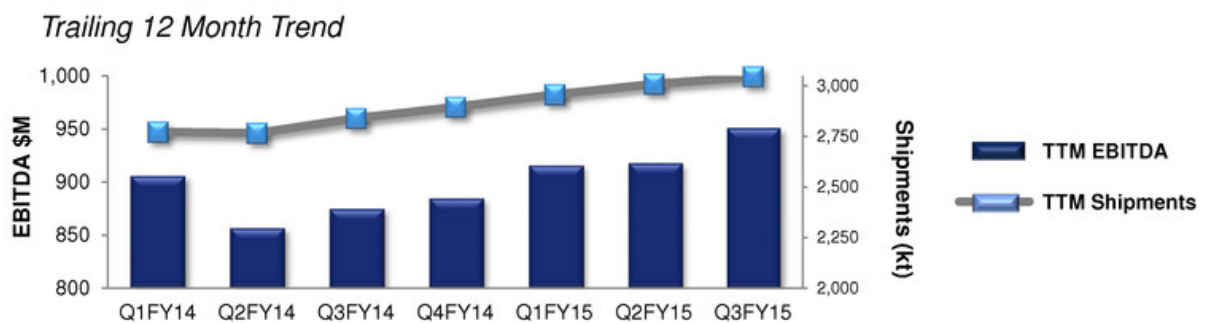
New Business Model Driving Q3 Results

■ Sales up 18% YoY

- Record third quarter shipments
- Strategic rolling expansions driving record Can shipments
- Successful launch of new auto assets driving record Auto shipments


■ EBITDA up 16% YoY

- Portfolio shift to higher margin products
- Expanding low cost recycling capabilities
- Better leveraging fixed costs



Novelis Business Model

Integrated Footprint



- Utilize global footprint
- Closed last smelting operation in December to focus on FRP

Portfolio Evolution

% of FRP shipments

FY14

Category	Percentage
Can	62%
Auto	17%
Specialty	12%
Foil & Other	9%

FY20*

Category	Percentage
Can	50%
Auto	25%
Specialty	25%
Foil & Other	Includes some foil/other

- Shifting portfolio to premium products
- China & US auto finishing lines accelerating production
- Auto finishing lines under construction are on track

Increase Recycling

Average Recycled Content in Products

Fiscal Year	Average Recycled Content (%)
FY10	33%
FY12	39%
FY13	43%
FY14	46%
FY15*	50%
FY20*	80%

- Achieved mid-decade goal of 50% recycled content in our products in Q3
- Grow portfolio of high-recycled content products

* Estimates
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Not just aluminum, Novelis Aluminum.

Economic and Business Conditions

Market Challenges

- Global economic uncertainty
- Pricing dynamics in China
- Exchange rate volatility
- Falling commodity & metal prices

ST Business Outlook

- Contracted well to capture global demand
- Accelerating Auto production
- Ramp up recycling facilities
- Utilize global assets and capabilities
- Unexpected Logan outage

Q4 Growth Despite Market Headwinds

Q3FY15 Detailed Financial Review

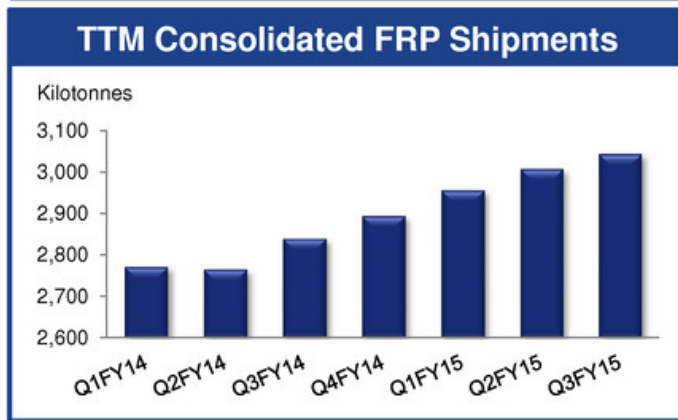
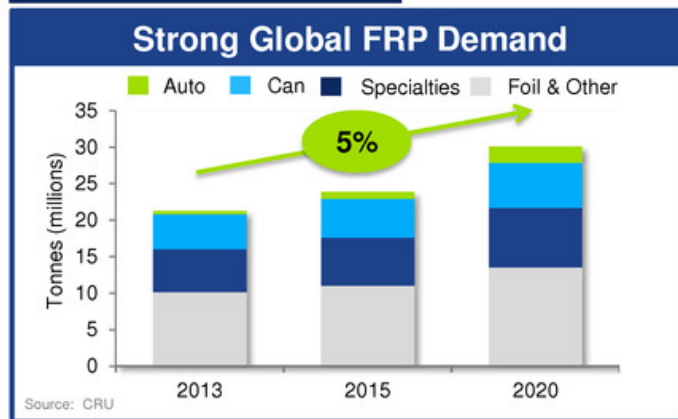
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Third Quarter Financial Highlights

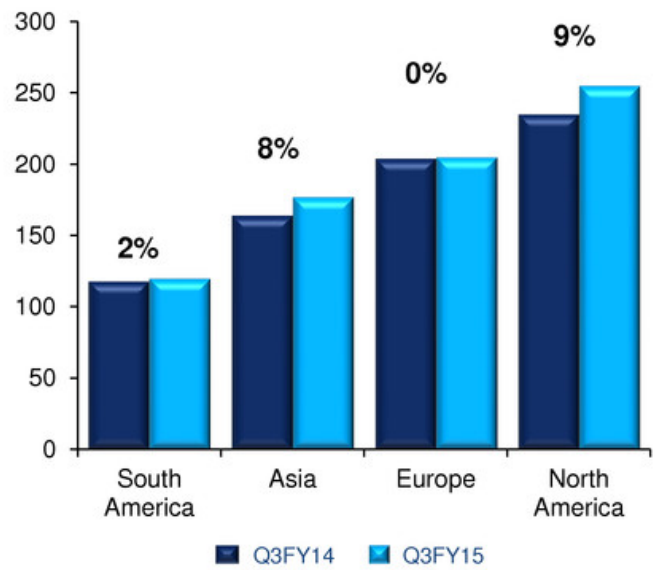
Q3FY15 vs Q3FY14

- **Record Q3 Shipments, up 5% YoY to 757 kilotonnes**
- **Sales up 18% to \$2.8 billion**
- **Adjusted EBITDA up 16% to \$236 million**
- **Net Income of \$46 million, up \$33 million; net income excluding certain items more than doubled to \$60 million**
- **Free cash flow before CapEx \$92 million**
- **Liquidity of \$839 million**

Demand and Shipments



Third Party Shipments (kt)



Shipment Growth for 5th Consecutive Quarter

Q3FY15 Adjusted EBITDA Bridge

(USD Millions)

Q3FY14	\$203	
Volume	36	Record Global Shipments
Price & Mix	7	Portfolio shift & price increases partially offset by difficult pricing environment in Asia
SG&A and Other	(5)	
Operating Costs	(19)	Higher fixed costs partially offset by higher recycling benefits
Metal Price Lag	15	
Foreign Exchange	(1)	
Q3FY15	\$236	

Business Model Driving Results

Capital Expenditures & Free Cash Flow

(USD Millions)

	Q3FY14	Q3FY15
Free Cash Flow	(61)	(12)
Capital Expenditures	157	104
Free Cash Flow Before CapEx	96	92

Expect Positive Full Year FY15 Cash Flow

- **EBITDA growth**
- **Working capital opportunities**
- **Lower LME prices**
- **Includes \$525 – 550 million of capital expenditures**

Summary

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Summary and Outlook

- **New business model drives results in Q3**
- **Gaining momentum into Q4**
 - Record shipment levels
 - Auto facilities accelerating production
 - New recycling facilities in Germany and Brazil ramping up
- **Will drive stronger Q4 EBITDA sequentially and YoY in spite of headwinds**
 - Logan hot mill outage in early January
 - Global economic uncertainty
 - Currency, commodity, metal price volatility



Questions & Answers

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Appendix

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Income Statement Reconciliation To Adjusted EBITDA

(in \$ m)	Q1 FY14	Q2 FY14	Q3 FY14	Q4 FY14	FY14	Q1 FY15	Q2 FY15	Q3 FY15
Net income (loss) attributable to our common shareholder	14	23	13	54	104	35	38	46
- Interest, net	(75)	(74)	(74)	(74)	(297)	(80)	(80)	(84)
- Income tax (provision) benefit	(3)	(26)	3	15	(11)	(24)	2	(3)
- Depreciation and amortization	(77)	(79)	(91)	(87)	(334)	(89)	(90)	(87)
EBITDA	169	202	175	200	746	228	206	220
- Unrealized gain (loss) on derivatives	(12)	4	3	(5)	(10)	1	(1)	12
- Realized gain (loss) on derivative instruments not included in segment income	2	2	2	(1)	5	(1)	-	(3)
- Proportional consolidation	(11)	(8)	(11)	(10)	(40)	(8)	(9)	(10)
- Restructuring and impairment, net	(9)	(18)	(19)	(29)	(75)	(6)	(7)	(25)
- Loss on sale of fixed assets	(1)	(1)	(2)	(5)	(9)	(1)	(2)	(1)
- Gain on assets held for sale, net	-	-	6	-	6	11	-	12
- Others costs, net	(4)	(5)	(7)	-	(16)	(3)	(5)	(1)
Adjusted EBITDA	204	228	203	250	885	235	230	236
Other income (expense) included in adjusted EBITDA								
- Metal price lag	(2)	3	(7)	24	17	2	9	8
- Foreign currency remeasurement	3	(1)	-	-	2	1	(3)	(4)

Explanation of other income (expense) 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 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.

Free Cash Flow

(in \$ m)	Q1 FY14	Q2 FY14	Q3 FY14	Q4 FY14	FY14	Q1 FY15	Q2 FY15	Q3 FY15
Cash (used in) provided by operating activities	(102)	350	108	346	702	(24)	11	100
Cash used in investing activities	(187)	(164)	(162)	(189)	(702)	(119)	(119)	(46)
Less: proceeds from sales of assets	-	(8)	(7)	(1)	(16)	(34)	-	(66)
Free cash flow	(289)	178	(61)	156	(16)	(177)	(108)	(12)
Capital expenditures	181	184	157	195	717	138	126	104
Free cash flow before capital expenditures	(108)	362	96	351	701	(39)	18	92

