

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 10, 2017

NOVELIS INC.

(Exact name of Registrant as specified in its charter)

Not Applicable

(Former Name or Former Address, If Changed Since Last Report)

Canada
(State or Other Jurisdiction of Incorporation)

001-32312
(Commission File No.)

98-0442987
(IRS Employer Identification No.)

3560 Lenox Road, Suite 2000, Atlanta, Georgia 30326
(Address of Principal Executive Offices)

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 10, 2017, Novelis Inc. issued a press release reporting the company's financial results for its fiscal quarter and year ended March 31, 2017. 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, Adjusted EBITDA Excluding Metal Price Lag, Free Cash Flow, Free Cash Flow Before CapEx, Net Income (Loss) Excluding Special Items and Liquidity.

EBITDA, Adjusted EBITDA and Adjusted EBITDA Excluding Metal Price Lag. 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. Adjusted EBITDA Excluding Metal Price Lag further adjusts Adjusted EBITDA for the impact of timing differences between the prices we pay for metal and the prices we charge our customers for metal. EBITDA and Adjusted EBITDA are measures commonly used in the company's industry. The company presents EBITDA, Adjusted EBITDA and Adjusted EBITDA Excluding Metal Price Lag to enhance investors' understanding of the company's operating performance. Novelis believes that EBITDA, Adjusted EBITDA and Adjusted EBITDA Excluding Metal Price Lag 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, neither EBITDA, Adjusted EBITDA nor Adjusted EBITDA Excluding Metal Price Lag are measurements of financial performance under GAAP, and the company's EBITDA, Adjusted EBITDA and Adjusted EBITDA Excluding Metal Price Lag may not be comparable to similarly titled measures of other companies. EBITDA, Adjusted EBITDA and Adjusted EBITDA Excluding Metal Price Lag have important limitations as analytical tools, 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, Adjusted EBITDA and Adjusted EBITDA Excluding Metal Price Lag:

- 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, 6.25% senior notes and 5.87% 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, Adjusted EBITDA and Adjusted EBITDA Excluding Metal Price Lag: 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 Special Items. Net income (loss) excluding special items adjusts net income (loss) for restructuring and impairment charges, loss on extinguishment of debt, metal price lag, 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 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 gains (losses) on sale of assets held for sale, 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. Management also adjusts for loss on extinguishment of debt, metal price lag, 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 special 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.

- 99.1 Press release, dated May 10, 2017 (furnished to the Commission as a part of this Form 8-K).
- 99.2 Presentation materials, dated May 10, 2017 (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 10, 2017

NOVELIS INC.

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

EXHIBIT INDEX

<u>Exhibit</u> <u>Number</u>	<u>Description</u>
99.1	Press release, dated May 10, 2017 (furnished to the Commission as a part of this Form 8-K).
99.2	Presentation materials, dated May 10, 2017 (furnished to the Commission as a part of this Form 8-K).



News Release

Novelis Reports Record Fourth Quarter and Full Fiscal Year 2017 Results

Operational efficiencies and strategic product shift drive record results and automotive shipments

Fourth Quarter Fiscal Year 2017 Highlights

- **Net income of \$47 million; excluding special items, net income up 46% to \$73 million**
- **Record fourth quarter Adjusted EBITDA excluding metal price lag up 5% to \$292 million**
- **Automotive shipments increased 26%**
- **Reduced net debt leverage ratio below 4.0x**

Fiscal Year 2017 Highlights

- **Net income of \$45 million; excluding special items, net income up 78% to \$233 million**
- **Record Adjusted EBITDA excluding metal price lag up 13% to \$1.09 billion**
- **Automotive shipments increased 17%; represent 18% of total FRP shipments**
- **Record free cash flow of \$361 million, more than double prior year**
- **Reduced annual cash interest by \$79 million through long-term debt refinancing**

ATLANTA, May 10, 2017 – Novelis Inc., the world leader in aluminum rolling and recycling, today reported record results for the fourth quarter and fiscal year 2017 with significant year-over-year increases in Adjusted EBITDA, net income, free cash flow and automotive sheet shipments. This strong performance was driven by Novelis' focused strategy to improve operational efficiencies and increase shipments of premium products, resulting in fiscal 2017 net income attributable to its common shareholder of \$47 million for the fourth quarter and \$45 million for the full year.

Excluding tax-effected special items in all periods, Novelis grew its fourth quarter fiscal 2017 net income 46 percent to \$73 million, and increased full year net income by 78 percent to \$233 million. The increase in both fourth quarter and full year net income reflects the significant improvement in adjusted EBITDA, as well as lower interest expense, a result of the company's long-term debt refinancing actions during fiscal 2017.

"By consistently executing our strategy and staying focused on business fundamentals, we have driven value for our stakeholders and are able to better serve our customers," said Steve Fisher, President and Chief Executive Officer for Novelis. "This year's record performance provides us with a blueprint for sustainable results and the strategic flexibility to enhance our leadership position in the industry."

Key achievements in fiscal 2017 include:

- Increased Adjusted EBITDA per ton, excluding metal price lag, by \$45 to \$354 per ton.
- Refinanced \$2.5 billion of senior notes and a \$1.8 billion term loan, reducing annual cash interest by \$79 million and extending debt maturity profile.
- Improved metal mix by increasing recycled inputs from 53 percent to 55 percent for the full year.
- Achieved record automotive sheet shipment levels as a result of the seamless ramp-up of all new finishing lines to support the new Ford F-Series Super Duty line of trucks in North America, the success of Jaguar Land Rover's new aluminum-intensive vehicles in Europe, and the Cadillac CT6 and Jaguar XFL in China.

- Signed agreement with next-generation car company NIO to provide innovative aluminum solutions for its fleet of smart, high-performance, premium aluminum-intensive electric vehicles to be launched over the next five years.

Fourth Quarter Fiscal 2017 Results

Net sales increased nine percent to \$2.6 billion for the fourth quarter of fiscal 2017, driven by higher average aluminum prices and increased shipments of higher conversion premium products, including a 26 percent increase in automotive shipments. Total shipments of rolled aluminum products were flat year-over-year at 789 kilotonnes.

Adjusted EBITDA for the fourth quarter of fiscal 2017 increased to \$292 million from \$270 million. There was no metal price lag in the current year period. Excluding \$7 million of negative metal price lag in the prior year, adjusted EBITDA increased five percent. Higher automotive sheet shipments, operating efficiencies, lower metal cost, and favorable currency were partially offset by higher employment cost and lower prices on some can and specialty products.

Full Year Fiscal 2017 Results

Revenues decreased three percent to \$9.6 billion in fiscal 2017. A two percent decline in shipments to 3,067 kilotonnes was partially offset by an increased level of higher conversion premium products, including a record level of automotive shipments. For fiscal 2017, the percentage of the company's shipment portfolio stemming from automotive sheet grew to 18 percent, up from 15 percent in the prior year.

Adjusted EBITDA grew 33 percent to \$1.05 billion in fiscal 2017, due in part to the reduced negative impact of metal price lag during fiscal 2017 as local market premium volatility has moderated. Metal price lag reduced to negative \$31 million in fiscal 2017 as compared to negative \$172 million in fiscal 2016.

Excluding the impact of metal price lag in both years, Adjusted EBITDA was \$1.09 billion in fiscal 2017, up 13 percent compared to \$963 million in fiscal 2016. The increase was driven by strong operational efficiencies, favorable product mix, and favorable currency, partially offset by lower shipments.

The company more than doubled its full year free cash flow to a record \$361 million in fiscal 2017 driven by stronger adjusted EBITDA, as well as lower interest and capital expenditures. Capital expenditures declined to \$224 million as compared to \$370 million in the prior year.

"We exceeded our expectations for delivering strong free cash flow as a result of excellent EBITDA performance and significant interest savings generated by our debt refinancing actions," said Devinder Ahuja, Senior Vice President and Chief Financial Officer. "Not only have we strengthened our balance sheet and driven our net debt leverage ratio below 4x, our continued focus on driving operational excellence and positive portfolio shift will allow us to sustain our current levels of performance."

As of March 31, 2017, the company reported strong liquidity of \$1.3 billion.

Fourth Quarter and Full Fiscal Year 2017 Earnings Conference Call

Novelis will discuss its fourth quarter and full fiscal year 2017 results via a live webcast and conference call for investors at 9:00 a.m. ET on Wednesday, May 10, 2017. To view slides and listen only, visit the web at

<https://cc.callinfo.com/r/1qaji08qitzcm&eom>. To join by telephone, dial toll-free in North America at 877 893 5390, India toll-free at 18002662125 or the international toll line at +1 415 226 5355. 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 10 countries, has approximately 11,000 employees and had \$10 billion in

revenue for its 2017 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, an industry leader in aluminum and copper, and metals flagship company of the Aditya Birla Group, a multinational conglomerate based in Mumbai, India. For more information, visit novelis.com and follow us on Facebook at [facebook.com/NovelisInc](https://www.facebook.com/NovelisInc) and 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 believe 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 concurrently 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 Adjusted EBITDA excluding Metal Price Lag, Free Cash Flow, Total Liquidity, Reconciliation to Net Income attributable to our common shareholder excluding Special Items, Segment Information, and Net Debt leverage ratio.

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 are statements about the company's expectation to sustain its current levels of performance. 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 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 acquisitions, divestitures and 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; 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 level of 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 upcoming Annual Report on Form 10-K for the fiscal year ended March 31, 2017 are specifically incorporated by reference into this news release.

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

	Three Months Ended March 31,		Year Ended March 31,	
	2017	2016	2017	2016
Net sales	\$ 2,621	\$ 2,402	\$ 9,591	\$ 9,872
Cost of goods sold (exclusive of depreciation and amortization)	2,182	2,035	8,016	8,727
Selling, general and administrative expenses	118	103	421	407
Depreciation and amortization	93	89	360	353
Interest expense and amortization of debt issuance costs	63	83	294	327
Research and development expenses	17	15	58	54
Gain on assets held for sale	—	—	(2)	—
Loss on extinguishment of debt	22	—	134	13
Restructuring and impairment, net	6	19	10	48
Equity in net loss of non-consolidated affiliates	—	1	8	3
Other expense (income), net	32	10	95	(68)
	<u>2,533</u>	<u>2,355</u>	<u>9,394</u>	<u>9,864</u>
Income before income taxes	88	47	197	8
Income tax provision	41	18	151	46
Net income (loss)	47	29	46	(38)
Net income attributable to noncontrolling interests	—	—	1	—
Net income (loss) attributable to our common shareholder	<u>\$ 47</u>	<u>\$ 29</u>	<u>\$ 45</u>	<u>\$ (38)</u>

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

ASSETS	March 31,	
	2017	2016
Current assets		
Cash and cash equivalents	\$ 594	556
Accounts receivable, net		
— third parties (net of uncollectible accounts of \$6 as of March 31, 2017 and \$3 as of March 31, 2016)	1,067	956
— related parties	60	59
Inventories	1,333	1,180
Prepaid expenses and other current assets	111	127
Fair value of derivative instruments	113	88
Assets held for sale	3	5
Total current assets	3,281	2,971
Property, plant and equipment, net	3,357	3,506
Goodwill	607	607
Intangible assets, net	457	523
Investment in and advances to non-consolidated affiliate	451	488
Deferred income tax assets	82	87
Other long-term assets		
— third parties	\$ 94	\$ 82
— related parties	15	16
Total assets	\$ 8,344	\$ 8,280
LIABILITIES AND SHAREHOLDER'S DEFICIT		
Current liabilities		
Current portion of long-term debt	121	47
Short-term borrowings	294	579
Accounts payable		
— third parties	1,722	1,506
— related parties	51	48
Fair value of derivative instruments	151	85
Accrued expenses and other current liabilities	554	569
Total current liabilities	2,893	2,834
Long-term debt, net of current portion	4,437	4,421
Deferred income tax liabilities	94	89
Accrued postretirement benefits	799	820
Other long-term liabilities	198	175
Total liabilities	8,421	8,339
Commitments and contingencies		
Shareholder's deficit		
Common stock, no par value; unlimited number of shares authorized; 1,000 shares issued and outstanding as of March 31, 2017 and 2016	—	—
Additional paid-in capital	1,404	1,404
Accumulated deficit	(918)	(963)
Accumulated other comprehensive loss	\$ (545)	(500)
Total deficit of our common shareholder	(59)	(59)
Noncontrolling interests	(18)	—

Total deficit	<u>(77)</u>	<u>(59)</u>
Total liabilities and deficit	<u>8,344</u>	<u>\$ 8,280</u>

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

	Year Ended March 31,	
	2017	2016
OPERATING ACTIVITIES		
Net income (loss)	\$ 46	\$ (38)
Adjustments to determine net cash provided by operating activities:		
Depreciation and amortization	360	353
Gain on unrealized derivatives and other realized derivatives in investing activities, net	(15)	(27)
Gain on assets held for sale	(2)	—
Loss on sale of business	27	—
Loss on sale of assets	6	4
Impairment charges	2	25
Loss on extinguishment of debt	134	13
Deferred income taxes	4	(93)
Amortization of fair value adjustments, net	7	11
Equity in net loss of non-consolidated affiliates	8	3
Loss (gain) on foreign exchange remeasurement of debt	2	(2)
Amortization of debt issuance costs and carrying value adjustments	22	19
Other, net	3	—
Changes in assets and liabilities including assets and liabilities held for sale (net of effects from divestitures):		
Accounts receivable	(154)	336
Inventories	(193)	268
Accounts payable	253	(327)
Other current assets	9	(12)
Other current liabilities	10	7
Other noncurrent assets	(30)	20
Other noncurrent liabilities	76	(19)
Net cash provided by operating activities	575	541
INVESTING ACTIVITIES		
Capital expenditures	(224)	(370)
Proceeds from sales of assets, third party, net of transaction fees and hedging	4	3
Outflows from the sale of business, net of transaction fees	(2)	—
Proceeds (outflows) from investment in and advances to non-consolidated affiliates, net	2	(2)
Proceeds (outflows) from settlement of other undesignated derivative instruments, net	8	(9)
Net cash used in investing activities	(212)	(378)
FINANCING ACTIVITIES		
Proceeds from issuance of long-term and short-term borrowings	4,572	174
Principal payments of long-term and short-term borrowings	(4,477)	(216)
Revolving credit facilities and other, net	(229)	(187)
Return of capital to our common shareholder	—	—
Dividends, noncontrolling interest	—	(1)
Debt issuance costs	(191)	(15)
Net cash used in financing activities	(325)	(245)
Net increase (decrease) in cash and cash equivalents	38	(82)
Effect of exchange rate changes on cash	—	10
Cash and cash equivalents — beginning of period	556	628
Cash and cash equivalents — end of period	\$ 594	\$ 556

Reconciliation from Net income (loss) attributable to our common shareholder to Adjusted EBITDA, and Adjusted EBITDA excluding Metal Price Lag (unaudited)

Novelis is providing disclosure of the reconciliation of reported non-GAAP financial measures to their comparable financial measures on a GAAP basis. To better analyze underlying operational results, the following table also shows Adjusted EBITDA to Adjusted EBITDA excluding the impact of Metal Price Lag. On certain sales contracts we experience timing differences on the pass through of changing aluminum prices from our suppliers to our customers. Additional timing differences occur in the flow of metal costs through moving average inventory cost values and cost of goods sold. This timing difference is referred to as metal price lag.

(in millions)	Three Months Ended March 31,		Year Ended March 31,	
	2017	2016	2017	2016
Net income (loss) attributable to our common shareholder	\$ 47	\$ 29	\$ 45	\$ (38)
Noncontrolling interests	—	—	1	—
Income tax provision	(41)	(18)	(151)	(46)
Interest, net	(59)	(79)	(283)	(314)
Depreciation and amortization	(93)	(89)	(360)	(353)
EBITDA	240	215	840	675
Unrealized gains (losses) on change in fair value of derivative instruments, net	(13)	(22)	5	(4)
Realized gains (losses) on derivative instruments not included in segment income	3	—	5	(1)
Adjustment to eliminate proportional consolidation	(8)	(9)	(28)	(30)
Loss on sale of a business	—	—	(27)	—
Loss on sale of fixed assets	(2)	(2)	(6)	(4)
Gain on assets held for sale	—	—	2	(13)
Loss on extinguishment of debt	(22)	—	(134)	—
Restructuring and impairment, net	(6)	(19)	(10)	(48)
Other costs, net	(4)	(3)	(21)	(16)
Adjusted EBITDA	\$ 292	\$ 270	\$ 1,054	\$ 791
Metal price lag	—	(7)	(31)	(172)
Adjusted EBITDA excluding metal price lag	\$ 292	\$ 277	\$ 1,085	\$ 963

Free Cash Flow and Cash and Cash Equivalents (unaudited)

The following table shows the "Free cash flow" for the year ended March 31, 2017 and 2016 and the ending balances of cash and cash equivalents (in millions).

	Year Ended March 31,	
	2017	2016
Net cash provided by operating activities	\$ 575	\$ 541
Net cash used in investing activities	(212)	(378)
Less: Proceeds from sales of assets and business, net of transaction fees and hedging	(2)	(3)
Free cash flow	\$ 361	\$ 160
Ending cash and cash equivalents	\$ 594	\$ 556

Total Liquidity (unaudited)

The following table shows available liquidity as of March 31, 2017 and March 31, 2016 (in millions).

	Year Ended March 31,	
	2017	2016
Cash and cash equivalents	\$ 594	\$ 556
Availability under committed credit facilities	701	640
Total liquidity	\$ 1,295	\$ 1,196

Reconciliation of Net income (loss) attributable to our common shareholder, to Net Income attributable to our common shareholder, excluding Special Items (unaudited)

The following table shows Net Income attributable to our common shareholder excluding special 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 March 31,		Year Ended March 31,	
	2017	2016	2017	2016
Net income (loss) attributable to our common shareholder	\$ 47	\$ 29	\$ 45	\$ (38)
Special Items:				
Gain on assets held for sale	—	—	(2)	(13)
Loss on sale of a business	—	—	27	—
Loss on extinguishment of debt	22	—	134	—
Metal price lag	—	7	31	172
Restructuring and impairment, net	6	19	10	48
Tax effect on special items	(2)	(5)	(12)	(64)
Net income attributable to our common shareholder, excluding special items	\$ 73	\$ 50	\$ 233	\$ 105

Segment Information (unaudited)

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

Selected Operating Results Three Months Ended March 31, 2017	North America	Europe	Asia	South America	Eliminations and Other	Total
Adjusted EBITDA	\$ 116	\$ 47	\$ 29	\$ 103	\$ (3)	\$ 292
Metal price lag	11	(11)	(2)	2	—	—
Adjusted EBITDA excluding metal price lag	\$ 105	\$ 58	\$ 31	\$ 101	\$ (3)	\$ 292
Shipments						
Rolled products - third party	269	232	170	118	—	789
Rolled products - intersegment	—	3	4	7	(14)	—
Total rolled products	269	235	174	125	(14)	789
Selected Operating Results Three Months Ended March 31, 2016						
Adjusted EBITDA	\$ 95	\$ 47	\$ 35	\$ 92	\$ 1	\$ 270
Metal price lag	(1)	(9)	3	—	—	(7)
Adjusted EBITDA excluding metal price lag	\$ 96	\$ 56	\$ 32	\$ 92	\$ 1	\$ 277
Shipments						
Rolled products - third party	249	232	180	127	—	788
Rolled products - intersegment	—	12	7	7	(26)	—
Total rolled products	249	244	187	134	(26)	788

Selected Operating Results Year Ended March 31, 2017	North America	Europe	Asia	South America	Eliminations and Other	Total
Adjusted EBITDA	\$ 384	\$ 180	\$ 153	\$ 340	\$ (3)	\$ 1,054
Metal price lag	4	(28)	(10)	3	—	(31)
Adjusted EBITDA excluding metal price lag	\$ 380	\$ 208	\$ 163	\$ 337	\$ (3)	\$ 1,085
Shipments						
Rolled products - third party	1,009	927	682	449	—	3,067
Rolled products - intersegment	1	16	8	25	(50)	—
Total rolled products	1,010	943	690	474	(50)	3,067
Selected Operating Results Year Ended March 31, 2016						
Adjusted EBITDA	\$ 258	\$ 116	\$ 135	\$ 282	\$ —	\$ 791
Metal price lag	(80)	(87)	(7)	2	—	(172)
Adjusted EBITDA excluding metal price lag	\$ 338	\$ 203	\$ 142	\$ 280	\$ —	\$ 963
Shipments						
Rolled products - third party	1,031	918	718	456	—	3,123
Rolled products - intersegment	1	60	42	34	(137)	—
Total rolled products	1,032	978	760	490	(137)	3,123

Net Debt leverage ratio (unaudited)

The following table shows the "Net debt leverage ratio" for the year ended March 31, 2017 and 2016. This ratio divides Net Debt by Adjusted EBITDA excluding metal price lag.

	Year Ended March 31,	
	2017	2016
Long-term debt, net of current portion	\$ 4,437	\$ 4,421
Current portion of long-term debt	121	47
Short-term borrowings	294	579
Total Debt	4,852	5,047
Less: cash and cash equivalents	594	556
Net Debt	\$ 4,258	\$ 4,491
Adjusted EBITDA excluding metal price lag	1,085	963
Net Debt leverage ratio	3.9	4.7

NOVELIS Q4 FISCAL 2017 EARNINGS CONFERENCE CALL

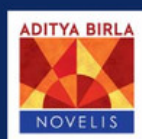
May 10, 2017

Steve Fisher

President and Chief Executive Officer

Devinder Ahuja

Senior Vice President and Chief Financial Officer



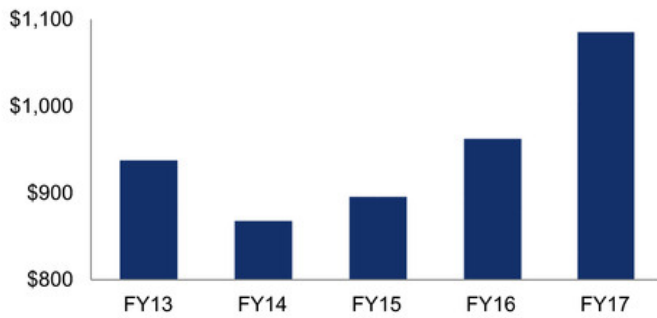
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Forward-looking statements

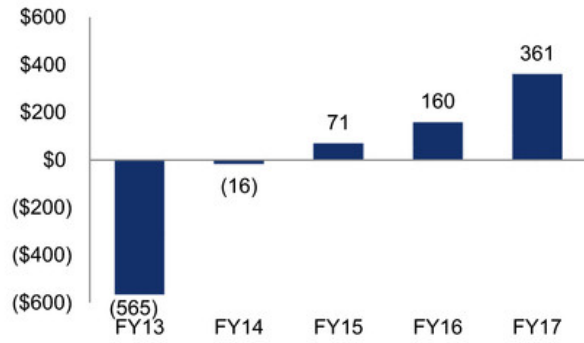
Statements made in this presentation which describe Novelis' intentions, expectations, beliefs or predictions may be forward-looking statements within the meaning of securities laws. Forward-looking statements include statements preceded by, followed by, or including the words "believes," "expects," "anticipates," "plans," "estimates," "projects," "forecasts," or similar expressions. Examples of forward-looking statements in this presentation including statements concerning our plan to complete a joint venture transaction with Kobe Steel. 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 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; 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 level of 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 upcoming Annual Report on Form 10-K for the fiscal year ended March 31, 2017 are specifically incorporated by reference into this presentation.

- Record Adjusted EBITDA* \$1,085 million, up 13% YoY
- Adjusted EBITDA* per ton \$354
- Generated record free cash flow \$361 million
- Reduced net debt leverage ratio below 4x

Full year Adjusted EBITDA* (\$ millions)



Full year free cash flow (\$ millions)

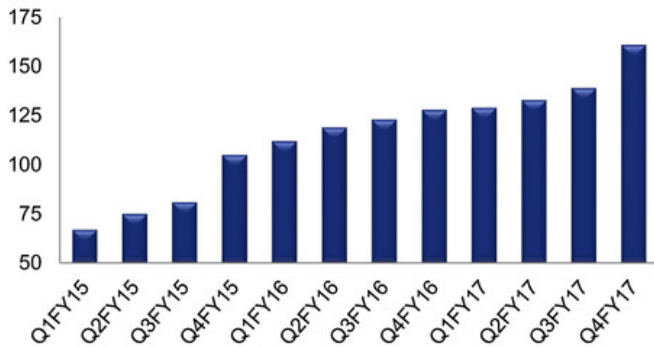


Strategic product shift and operational efficiencies drive record results

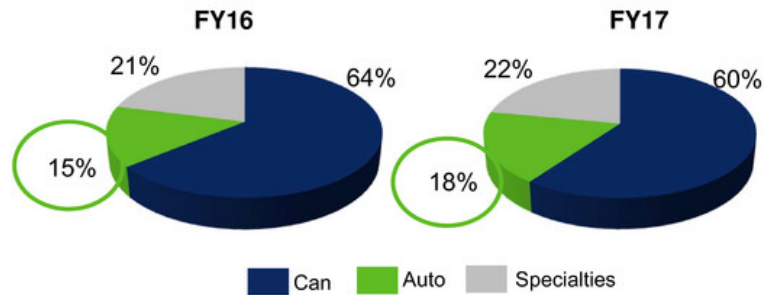
*Adjusted EBITDA excludes metal price lag in all periods

- Record automotive shipments up 17% FY17 versus FY16
 - Driven by seamless ramp up of all new finishing assets
 - Strong customer demand for aluminum sheet
- Automotive increased to 18% of FY17 FRP shipments
 - Q4FY17 exit rate at 20% of shipments

Quarterly global Automotive shipments (kt)



Product mix % of total FRP shipments



MEANINGFUL OPERATIONAL IMPROVEMENTS

Novelis

- Operational excellence
 - Safety rates at industry-leading low levels of recordables
 - Improved end-to-end recovery leading to increased asset utilization and uptime
 - Increased use of recycled materials from 53% to 55% of inputs



- Customer focused
 - Driving quality through 26% reduction in parts per million defects
 - Increased satisfaction scores 22 percentage points

Focus on business fundamentals drives better service, quality and value

FINANCIAL HIGHLIGHTS

Q4 FISCAL 2017 HIGHLIGHTS

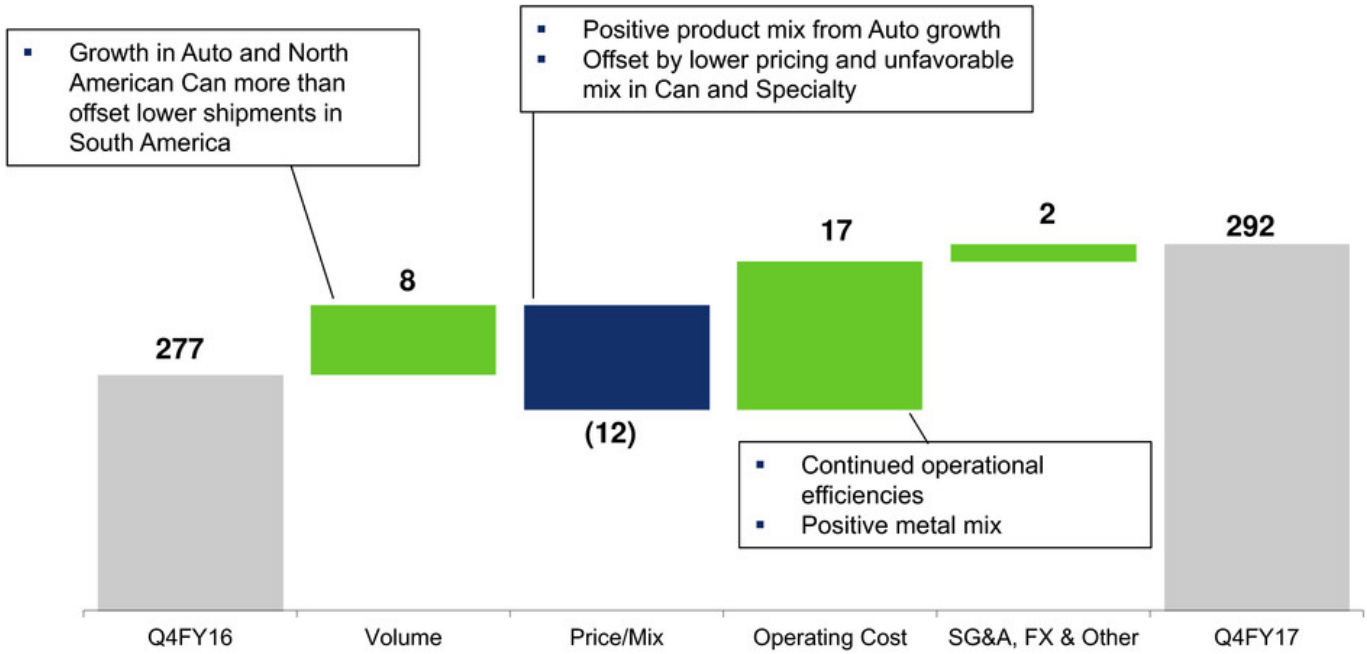
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Q4FY17 vs Q4FY16

- Net income of \$47 million up from \$29 million in prior year
- Excluding tax-effected special items*, net income up 46% from \$50 million to \$73 million
- Record Q4 Adjusted EBITDA, excluding metal price lag, up 5% to \$292 million
 - Metal price lag impact zero as local market premium volatility reduced
- Sales up 9% to \$2.6 billion
- 789 kilotonnes of FRP shipments up 1kt YoY
 - Automotive shipments up 26% YoY
- Strong liquidity position at \$1.3 billion

Q4 ADJUSTED EBITDA* BRIDGE

\$ Millions



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*EBITDA excluding metal price lag in both periods

Bridge components adjusted to remove net impact of divested ALCOM business, reflected in SG&A, FX & Other as (\$2M).

FULL YEAR FISCAL 2017 HIGHLIGHTS

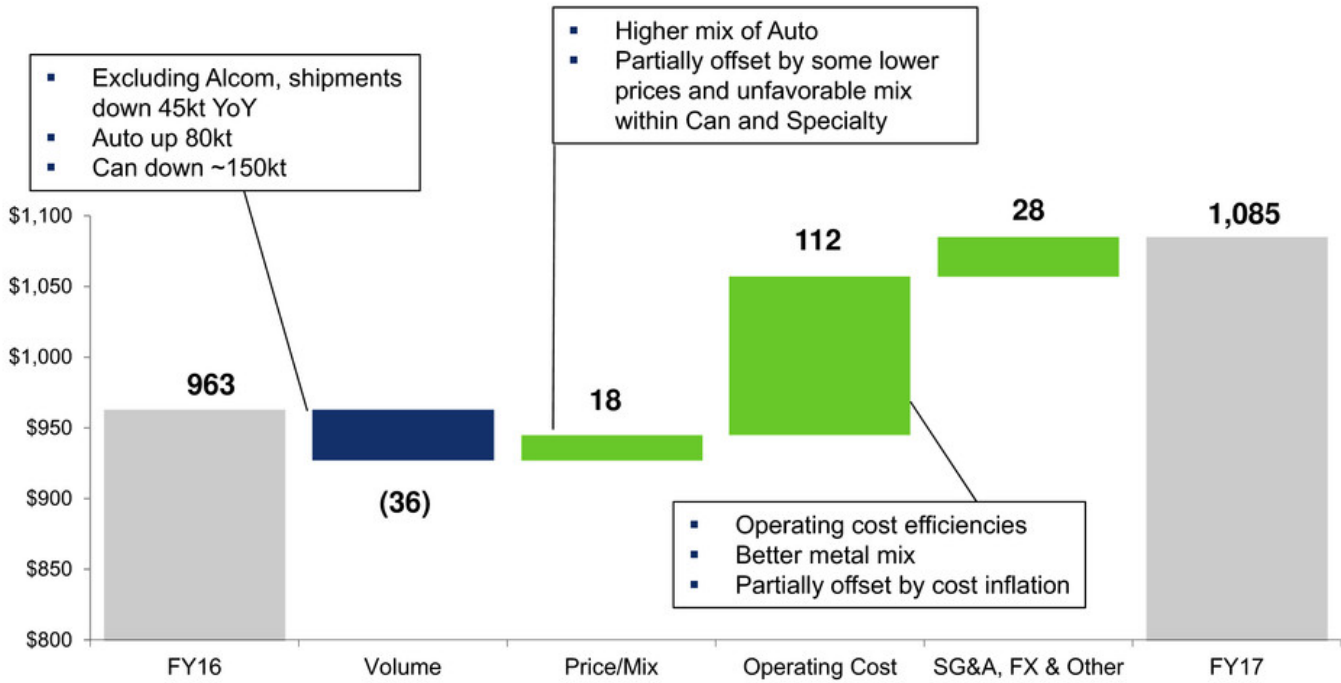
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FY17 vs FY16

- Net income of \$45 million up from net loss of \$38 million in prior year
- Excluding tax-effected special items* in both years, net income increased 78% from \$131 million to \$233 million
- Record Adjusted EBITDA excluding metal price lag, up 13% to \$1,085 million
 - Metal price lag impact minimized to negative \$31 million as compared to negative \$172 million in prior year
 - Adjusted EBITDA \$1,054 million, up 33% from \$791 million
- Sales down 3% to \$9.6 billion
- 3,067 kilotonnes of FRP shipments are down 2%

FULL YEAR ADJUSTED EBITDA* BRIDGE

\$ Millions



© 2017 Novelis

*EBITDA excluding metal price lag in both periods
 Bridge components adjusted to remove net impact of divested ALCOM business, reflected in SG&A, FX & Other as (\$3M).

FREE CASH FLOW

\$ Millions

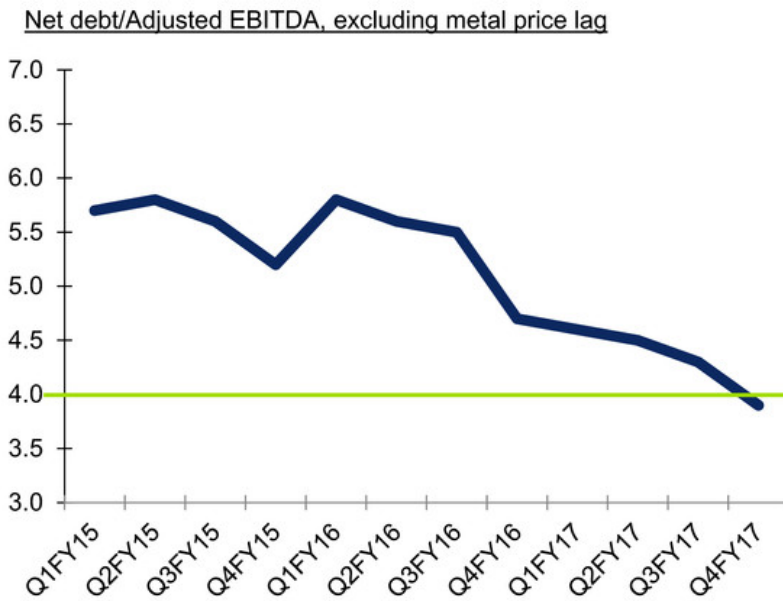
	FY17	FY16
Adjusted EBITDA	1,054	791
Capital expenditures	(224)	(370)
Interest paid	(279)	(313)
Taxes paid	(128)	(126)
Working capital & other	(62)	179
Free cash flow	361	160

Free cash flow increase year over year driven by:

- Higher Adjusted EBITDA
- Completion of prior strategic capital expenditure program
- Refinancing driven interest savings
- Partly offset by higher working capital due to rising aluminum prices

Generating sustainable free cash flow

NET DEBT LEVERAGE RATIO



Below 4x target one year earlier than anticipated

SUMMARY & TRANSACTION

SUMMARY

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- FY17 demonstrated sustainable step-up in Adjusted EBITDA and free cash flow
 - Headwinds from Can market overcapacity and customer consolidation
 - Mix continues to improve as Automotive shipments increase
 - Focus on operational efficiencies and metal management to manage costs
- Strengthening the balance sheet to provide strategic flexibility ahead of next stage of growth



Strong sustainable operating performance

- Novelis will sell 50% of its ownership interest in its Ulsan, South Korea facility to Kobe Steel for US \$315 million
- This venture, named Ulsan Aluminum Ltd., will allow Novelis to:
 - More efficiently utilize our rolling assets in Korea
 - Deepen the plant's focus on the growing automotive aluminum sheet market
 - Drive operational efficiencies and process enhancements through a partnership with a high-quality manufacturing company
 - Provide cash proceeds to enhance our strategic flexibility and reduce net debt
 - Leverage our deep experience in successful JVs to more efficiently serve our customers



Key Facts

- Year Built: 1969; major upgrade in 2013
- Employment: 600
- Plant size: 396,660 square feet (36,850 square meters)
- Capabilities: Remelt/recycle, hot & cold rolling, finishing

THANK YOU QUESTIONS?

APPENDIX

INCOME STATEMENT RECONCILIATION TO ADJUSTED EBITDA

(in \$ m)	Q1	Q2	Q3	Q4	FY16	Q1	Q2	Q3	Q4	FY17
Net (loss) income attributable to our common shareholder	(60)	(13)	6	29	(38)	24	(89)	63	47	45
- Noncontrolling interests	-	-	-	-	-	-	-	1	-	1
- Interest, net	(78)	(80)	(77)	(79)	(314)	(80)	(79)	(65)	(59)	(283)
- Income tax (provision) benefit	(15)	3	(16)	(18)	(46)	(36)	(27)	(47)	(41)	(151)
- Depreciation and amortization	(87)	(89)	(88)	(89)	(353)	(89)	(90)	(88)	(93)	(360)
EBITDA	120	153	187	215	675	229	107	264	240	840
- Unrealized gain (loss) on derivatives	35	(15)	(2)	(22)	(4)	(7)	4	21	(13)	5
- Realized gain (loss) on derivative instruments not included in segment income	1	(3)	1	-	(1)	1	-	1	3	5
- Proportional consolidation	(7)	(8)	(7)	(9)	(30)	(8)	(8)	(4)	(8)	(28)
- Loss on extinguishment of debt	(13)	-	-	-	(13)	-	(112)	-	(22)	(134)
- Restructuring and impairment, net	(15)	(4)	(10)	(19)	(48)	(2)	(1)	(1)	(6)	(10)
- Loss on sale of business	-	-	-	-	-	-	(27)	-	-	(27)
- (Loss) gain on sale of fixed assets	(1)	-	(1)	(2)	(4)	(4)	(2)	2	(2)	(6)
- Gain on assets held for sale, net	-	-	-	-	-	1	1	-	-	2
- Others (costs) income, net	(7)	1	(6)	(3)	(16)	(7)	(4)	(6)	(4)	(21)
Adjusted EBITDA	127	182	212	270	791	255	256	251	292	1,054
Other income (expense) included in adjusted EBITDA										
- Metal price lag	(85)	(54)	(26)	(7)	(172)	(13)	(14)	(4)	-	(31)
- Foreign currency remeasurement	4	(3)	4	(3)	2	(3)	2	2	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.

2) Foreign currency remeasurement net of related hedges: All balance sheet accounts not denominated in the 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 AND LIQUIDITY

Novelis

(in \$ m)	Q1	Q2	Q3	Q4	FY16	Q1	Q2	Q3	Q4	FY17
Cash (used in) provided by operating activities	(288)	225	64	540	541	(107)	80	178	424	575
Cash used in investing activities	(137)	(84)	(75)	(82)	(378)	(39)	(48)	(35)	(90)	(212)
Less: (proceeds) outflows from sales of assets	-	(1)	(1)	(1)	(3)	-	12	(12)	(2)	(2)
Free cash flow	(425)	140	(12)	457	160	(146)	44	131	332	361
Capital expenditures	129	75	78	88	370	44	46	48	86	224

(in \$ m)	Q1	Q2	Q3	Q4	FY16	Q1	Q2	Q3	Q4	FY17
Cash and cash equivalents	456	462	457	556	556	457	473	505	594	594
Availability under committed credit facilities	708	506	489	640	640	633	573	534	701	701
Liquidity	1,164	968	946	1,196	1,196	1,090	1,046	1,039	1,295	1,295

