

**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 7, 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 August 7, 2017, Novelis Inc. issued a press release reporting the company's financial results for its fiscal quarter ended June 30, 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, Free Cash Flow, Net Income (Loss) Excluding Special 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. The company presents Adjusted EBITDA to enhance investors' understanding of the company's operating performance. Novelis believes that Adjusted EBITDA is an operating performance measure, and not a liquidity measure, that provides 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. Effective in the first quarter of fiscal 2018, management removed the impact of metal price lag from Adjusted EBITDA in order to enhance the visibility of the underlying operating performance of the company.

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

- does not reflect the company's cash expenditures or requirements for capital expenditures or capital commitments;
- does not reflect changes in, or cash requirements for, the company's working capital needs; and
- does 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 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 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 Adjusted EBITDA:

- As a measure 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. Free Cash Flow consists of: (a) net cash provided by (used in) operating activities; (b) plus net cash provided by (used in) investing activities and (c) less proceeds from sales of assets. Management believes that Free Cash Flow is relevant to investors as it provides a measure of the cash generated internally that is available for debt service and other value creation opportunities. However, Free Cash Flow is not a measurement of financial performance or liquidity under GAAP and does not necessarily represent cash available for discretionary activities, as certain debt service obligations must be funded out of Free Cash Flow. In addition, the company's method of calculating Free Cash Flow may not be consistent with that of other companies.

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 may 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 August 7, 2017 (furnished to the Commission as a part of this Form 8-K).
- 99.2 Presentation materials, dated August 7, 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.

NOVELIS INC.

Date: August 7, 2017

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

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press release, dated August 7, 2017 (furnished to the Commission as a part of this Form 8-K).
99.2	Presentation materials, dated August 7, 2017 (furnished to the Commission as a part of this Form 8-K).



News Release

Novelis Reports First Quarter of Fiscal Year 2018 Results

Continued strong operational performance and automotive strategy drive record Q1 shipments

First Quarter Fiscal Year 2018 Highlights

- Net income more than tripled YoY to \$101 million
- Record Q1 shipments of 785 kilotonnes increased 4% YoY; automotive shipments increased 16%
- Net Sales increased 16% YoY to \$2.7 billion
- Adjusted EBITDA increased 8% YoY from \$268 million to \$289 million
- Free cash flow improved \$69 million YoY

ATLANTA, August 7, 2017 – Novelis, the world leader in aluminum rolling and recycling, today reported net income of \$101 million for the first quarter of fiscal year 2018, compared to net income of \$24 million in the prior year period. Excluding tax-affected special items, the company reported net income of \$103 million in the first quarter of fiscal 2018, up from \$33 million reported in the first quarter of fiscal 2017. The year-over-year increase in net income is driven primarily by higher EBITDA and lower interest expense following debt refinancing actions in fiscal 2017.

"Our automotive strategy, enhanced operational performance and strong customer relationships resulted in record first quarter shipments while also increasing Adjusted EBITDA per ton," said Steve Fisher, President and Chief Executive Officer for Novelis. "Leveraging our unmatched global manufacturing footprint, innovative technology and closed-loop recycling systems, Novelis has become a preferred choice for automotive aluminum sheet. As more and more automakers turn to aluminum solutions to produce the next generation of vehicles, we are actively looking at opportunities to increase capacity to support our customers and reinforce our leadership position in this growing market."

Adjusted EBITDA, defined excluding metal price lag, increased eight percent to \$289 million for the first quarter of fiscal 2018 from \$268 million in the prior year period, primarily as a result of higher shipments, ongoing operational improvements, and favorable product mix, partially offset by pricing pressures in beverage can.

Net sales increased 16 percent to \$2.7 billion for the first quarter of fiscal 2018. This was driven by a four percent increase in total shipments of flat rolled products to 785 kilotonnes, including a 16 percent increase in shipments of higher conversion premium automotive products, as well as higher average aluminum prices.

The company reported negative free cash flow of \$77 million for the first quarter of fiscal 2018 as compared to negative \$146 million in the prior year period. The \$69 million improvement in free cash flow over the prior year was primarily a result of higher EBITDA and lower cash interest payments. Capital expenditures in the first quarter of fiscal 2018 were \$39 million, \$5 million lower than the prior year.

"Our continued strong financial performance in the first quarter, following a record year in fiscal 2017, provides a clear path to achieve another record year for Adjusted EBITDA and free cash flow in fiscal 2018," said Devinder Ahuja, Senior Vice President and Chief Financial Officer for Novelis.

As of June 30, 2017, the company reported a strong liquidity position of \$1.2 billion.

Full Year Fiscal 2018 Guidance

With strong first quarter results and a positive market outlook, the Company expects fiscal 2018 Adjusted EBITDA to be between \$1,100-\$1,150 million for the full year. In addition, it expects fiscal 2018 free cash flow to be between \$400-450 million.

First Quarter of Fiscal Year 2018 Earnings Conference Call

Novelis will discuss its first quarter of fiscal year 2018 results via a live webcast and conference call for investors at 9:00 a.m. ET on Monday, August 7, 2017. To view slides and listen only, visit the web at <https://cc.callinfo.com/r/1vyk831q8g4a&eom>. To join by telephone, dial toll-free in North America at 800 761 0059, India toll-free at 18002660831 or the international toll line at +1 303 223 0117. 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 reported \$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 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, Free Cash Flow, Reconciliation to Liquidity, Reconciliation to 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. Examples of forward looking statements in this news release are statements about the company's ability to achieve stronger full year Adjusted EBITDA and free cash flow for fiscal 2018. 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 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; 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, 2017 are specifically incorporated by reference into this news release.

Media Contact:

Matthew Bianco
+1 404 760 4159
matthew.bianco@novelis.adityabirla.com

Investor Contact:

Megan Cochard
+1 404 760 4170
megan.cochard@novelis.adityabirla.com

Novelis Inc.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)

(in millions)	Three Months Ended June 30,	
	2017	2016
Net sales	\$ 2,669	\$ 2,296
Cost of goods sold (exclusive of depreciation and amortization)	2,261	1,930
Selling, general and administrative expenses	106	92
Depreciation and amortization	90	89
Interest expense and amortization of debt issuance costs	64	83
Research and development expenses	15	13
Gain on assets held for sale	—	(1)
Restructuring and impairment, net	1	2
Other (income) expense, net	(12)	28
	2,525	2,236
Income before income taxes	144	60
Income tax provision	43	36
Net income	101	24
Net income attributable to noncontrolling interests	—	—
Net income attributable to our common shareholder	\$ 101	\$ 24

Novelis Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS (unaudited)

(in millions)	June 30, 2017	March 31, 2017
ASSETS		
Current assets		
Cash and cash equivalents	\$ 565	\$ 594
Accounts receivable, net		
— third parties (net of uncollectible accounts of \$6 as of June 30, 2017 and March 31, 2017)	1,188	1,067
— related parties	57	60
Inventories	1,501	1,333
Prepaid expenses and other current assets	134	137
Fair value of derivative instruments	74	113
Assets held for sale	3	3
Total current assets	3,522	3,307
Property, plant and equipment, net	3,345	3,357
Goodwill	607	607
Intangible assets, net	450	457
Investment in and advances to non-consolidated affiliate	483	451
Deferred income tax assets	76	86
Other long-term assets		
— third parties	98	94
— related parties	10	15
Total assets	\$ 8,591	\$ 8,374
LIABILITIES AND SHAREHOLDER'S EQUITY (DEFICIT)		
Current liabilities		
Current portion of long-term debt	\$ 145	\$ 121
Short-term borrowings	362	294
Accounts payable		
— third parties	1,830	1,722
— related parties	50	51
Fair value of derivative instruments	68	151
Accrued expenses and other current liabilities	480	580
Total current liabilities	2,935	2,919
Long-term debt, net of current portion	4,407	4,437
Deferred income tax liabilities	111	98
Accrued postretirement benefits	827	799
Other long-term liabilities	200	198
Total liabilities	8,480	8,451
Commitments and contingencies		
Shareholder's equity (deficit)		
Common stock, no par value; unlimited number of shares authorized; 1,000 shares issued and outstanding as of June 30, 2017 and March 31, 2017	—	—
Additional paid-in capital	1,404	1,404
Accumulated deficit	(817)	(918)
Accumulated other comprehensive loss	(457)	(545)
Total equity (deficit) of our common shareholder	130	(59)
Noncontrolling interests	(19)	(18)
Total equity (deficit)	111	(77)
Total liabilities and equity (deficit)	\$ 8,591	\$ 8,374

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

(in millions)

	Three Months Ended June 30,	
	2017	2016
OPERATING ACTIVITIES		
Net income	\$ 101	\$ 24
Adjustments to determine net cash provided by operating activities:		
Depreciation and amortization	90	89
Gain on unrealized derivatives and other realized derivatives in investing activities, net	(2)	—
Gain on assets held for sale	—	(1)
Loss on sale of assets	1	4
Deferred income taxes	9	7
Amortization of fair value adjustments, net	—	3
Loss on foreign exchange remeasurement of debt	1	—
Amortization of debt issuance costs and carrying value adjustments	5	5
Other, net	(1)	—
Changes in assets and liabilities including assets and liabilities held for sale (net of effects from divestitures):		
Accounts receivable	(96)	(55)
Inventories	(137)	(59)
Accounts payable	72	(39)
Other current assets	8	(6)
Other current liabilities	(105)	(100)
Other noncurrent assets	(6)	(8)
Other noncurrent liabilities	15	29
Net cash used in operating activities	(45)	(107)
INVESTING ACTIVITIES		
Capital expenditures	(39)	(44)
Proceeds from sales of assets, third party, net of transaction fees and hedging	1	—
Proceeds from investment in and advances to non-consolidated affiliates, net	6	2
Proceeds from settlement of other undesignated derivative instruments, net	1	3
Net cash used in investing activities	(31)	(39)
FINANCING ACTIVITIES		
Proceeds from issuance of long-term and short-term borrowings	—	87
Principal payments of long-term and short-term borrowings	(57)	(72)
Revolving credit facilities and other, net	113	35
Debt issuance costs	(2)	—
Net cash provided by financing activities	54	50
Net decrease in cash and cash equivalents	(22)	(96)
Effect of exchange rate changes on cash	(7)	(3)
Cash and cash equivalents — beginning of period	594	556
Cash and cash equivalents — end of period	\$ 565	\$ 457

Reconciliation of Net income attributable to our common shareholder to Adjusted EBITDA (unaudited)

The following table reconciles Net income attributable to our common shareholder to Adjusted EBITDA, a non-GAAP financial measure, three months ended June 30, 2017 and 2016.

(in millions)	Three Months Ended June 30,	
	2017	2016
Net income attributable to our common shareholder	\$ 101	\$ 24
Income tax provision	43	36
Interest, net	62	80
Depreciation and amortization	90	89
EBITDA	296	229
Unrealized (gains) losses on change in fair value of derivative instruments, net	(16)	7
Realized gains on derivative instruments not included in segment income	(1)	(1)
Adjustment to eliminate proportional consolidation	8	8
Loss on sale of fixed assets	1	4
Gain on assets held for sale	—	(1)
Restructuring and impairment, net	1	2
Metal price lag (A)	1	13
Other, net	(1)	7
Adjusted EBITDA	\$ 289	\$ 268

(A) Effective in the first quarter of fiscal 2018, management removed the impact of metal price lag from Adjusted EBITDA in order to enhance the visibility of the underlying operating performance of the Company. The impact of metal price lag is now reported as a separate line item in this reconciliation. This change does not impact our condensed consolidated financial statements. Adjusted EBITDA for the prior period presented has been updated to reflect this change.

Free Cash Flow (unaudited)

The following table shows "Free cash flow" for the three months ended June 30, 2017 and 2016.

(in millions)	Three Months Ended June 30,	
	2017	2016
Net cash used in operating activities	\$ (45)	(107)
Net cash used in investing activities	(31)	(39)
Less: Proceeds from sales of assets, net of transaction fees and hedging	(1)	—
Free cash flow	\$ (77)	\$ (146)

Cash and Cash Equivalents and Total Liquidity (unaudited)

The following table reconciles the ending balances of cash and cash equivalents to total liquidity as of June 30, 2017 and March 31, 2017.

(in millions)	June 30, 2017	March 31, 2017
	Cash and cash equivalents	\$ 565
Availability under committed credit facilities	671	701
Total liquidity	\$ 1,236	\$ 1,295

Reconciliation of Net income attributable to our common shareholder to Net income attributable to our common shareholder, excluding special items (unaudited)

The following table presents Net Income attributable to our common shareholder excluding special items. We adjust for items which may recur in varying magnitude which affect the comparability of the operational results of our underlying business.

(in millions)

	Three Months Ended June 30,	
	2017	2016
Net income attributable to our common shareholder	\$ 101	\$ 24
Special Items:		
Gain on assets held for sale	—	(1)
Metal price lag	1	13
Restructuring and impairment, net	1	2
Tax effect on special items	—	(5)
Net income attributable to our common shareholder, excluding special items	\$ 103	\$ 33

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 June 30, 2017	North America	Europe	Asia	South America	Eliminations and Other	Total
Adjusted EBITDA (A)	\$ 116	\$ 57	\$ 44	\$ 72	\$ —	\$ 289
Shipments						
Rolled products - third party	271	231	176	107	—	785
Rolled products - intersegment	2	4	4	3	(13)	—
Total rolled products	273	235	180	110	(13)	785
Selected Operating Results Three Months Ended June 30, 2016	North America	Europe	Asia	South America	Eliminations and Other	Total
Adjusted EBITDA (A)	\$ 92	\$ 57	\$ 46	\$ 73	\$ —	\$ 268
Shipments						
Rolled products - third party	241	241	176	97	—	755
Rolled products - intersegment	1	5	2	6	(14)	—
Total rolled products	242	246	178	103	(14)	755

(A) Effective in the first quarter of fiscal 2018, management removed the impact of metal price lag from Segment Income. Segment information for prior periods presented has been updated to reflect this change.

NOVELIS Q1 FISCAL 2018 EARNINGS CONFERENCE CALL

Exhibit 99.2



August 7, 2017

Steve Fisher

President and Chief Executive Officer

Devinder Ahuja

Senior Vice President and Chief Financial Officer



Novelis

Forward-looking statements

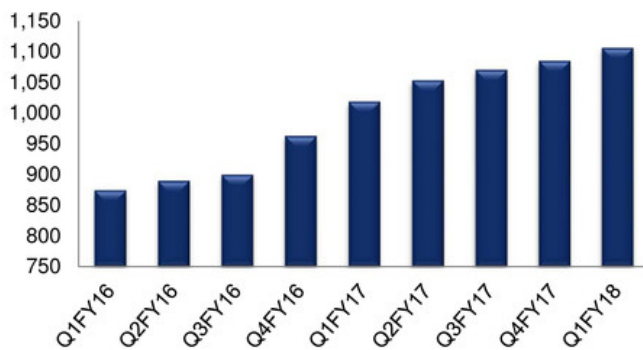
Statements made in this presentation which describe Novelis' intentions, expectations, beliefs or predictions may be forward-looking statements within the meaning of securities laws. Forward-looking statements include statements preceded by, followed by, or including the words "believes," "expects," "anticipates," "plans," "estimates," "projects," "forecasts," or similar expressions. Examples of forward-looking statements in this presentation including statements concerning our expectation that trucks, SUVs and EVs will continue to grow faster than the overall market. 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 Annual Report on Form 10-K for the fiscal year ended March 31, 2017 are specifically incorporated by reference into this presentation.

FIRST QUARTER FY18 HIGHLIGHTS

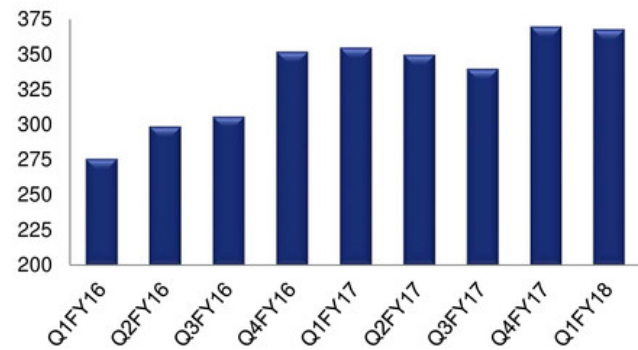


- Record Q1 shipments, continued auto growth and operational efficiencies driving strong performance
 - Total shipments up 4%
 - Global auto shipments up 16%; global can shipments up 2%
 - Adjusted EBITDA/ton up 4% to \$368

TTM Adjusted EBITDA (\$M)



Quarterly Adjusted EBITDA/ton (\$)

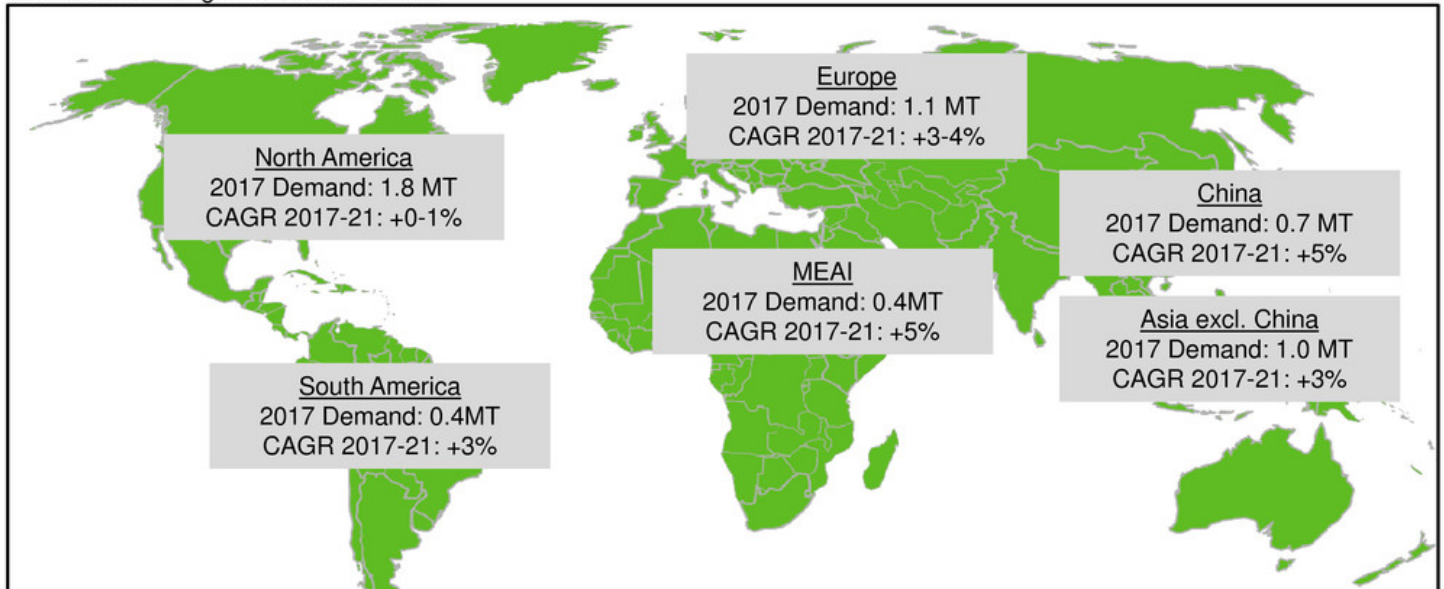


On track to achieve record Adjusted EBITDA in FY18

GLOBAL CAN SHEET MARKET

- Demand for 5.4 million tonne global aluminum can sheet market remains unchanged, expected to grow low single digits through 2021
- Novelis Q1 EBITDA results reflect majority of new can pricing with secured longer term volume at sustained market share

Aluminum beverage can sheet demand

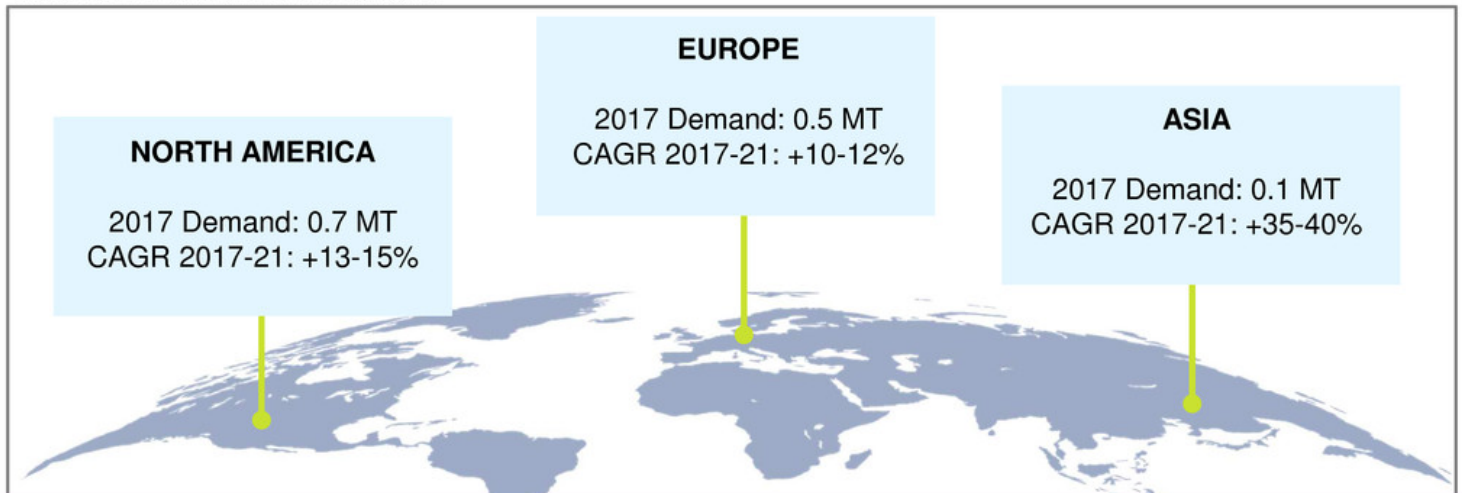


Committed to our Can sheet customers and market

GLOBAL AUTOMOTIVE SHEET MARKET

- Ducker Worldwide and IHS project increased penetration of aluminum sheet, mainly through hang-on parts, leading to higher demand
- Aluminum penetration is higher in Trucks, SUVs, and EVs globally
- China automotive FRP market is growing at the highest CAGR supported by government policies and EV market development
- Trucks, SUVs and EVs will continue to grow faster than the overall market

Automotive Aluminum Sheet Demand



Novelis is the preferred choice for automotive aluminum sheet solutions

FINANCIAL HIGHLIGHTS

Q1 FISCAL 2018 FINANCIAL HIGHLIGHTS

Novelis

Q1FY18 vs Q1FY17

- Net income of \$101 million up from \$24 million in prior year
 - Excluding tax-effected special items*, net income up 212% from \$33 million to \$103 million
 - \$19 million lower interest expense mainly a result of FY17 refinancing actions
- Adjusted EBITDA up 8% from \$268 million to \$289 million
- Sales up 16% to \$2.7 billion
- Total FRP Shipments up 4% to 785 kilotonnes
 - Automotive shipments up 16% YoY
- Strong liquidity position at \$1.2 billion

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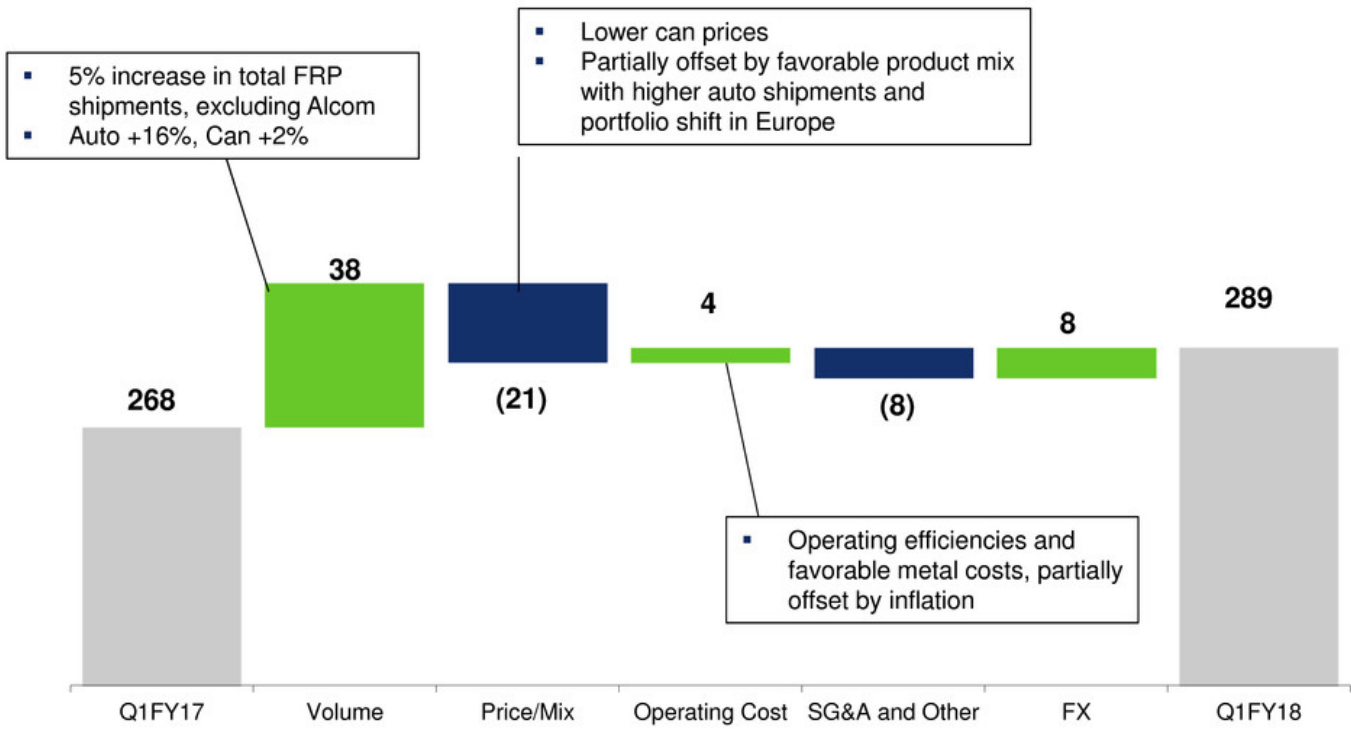
Adjusted EBITDA excludes metal price lag in all periods

**Tax-effected special items may include restructuring & impairment, metal price lag, gain/loss on assets held for sale, loss on extinguishment of debt, loss on sale of business*

7

Q1 ADJUSTED EBITDA BRIDGE

\$ Millions



FREE CASH FLOW

Novelis

\$ Millions

	Q1 FY18	Q1 FY17
Adjusted EBITDA	289	268
Capital expenditures	(39)	(44)
Interest paid	(81)	(133)
Taxes paid	(27)	(28)
Working capital & other	(219)	(209)
Free cash flow	(77)	(146)

- Free cash flow improved year over year driven by higher Adjusted EBITDA and refinancing driven interest savings
- Q1 working capital outflow due to seasonally higher inventory, rising aluminum prices, timing of customer payments

Expect record FY18 free cash flow

- Demonstrating continued strong operating & financial performance
- Well poised for record Adjusted EBITDA and free cash flow for the full year FY18
 - FY18 Adjusted EBITDA \$1,100-\$1,150 million
 - FY18 free cash flow \$400-\$450 million
- Positive outlook for automotive aluminum sheet demand
- Strong financial position allows us to evaluate potential growth opportunities to meet customer needs



THANK YOU
QUESTIONS?

APPENDIX

INCOME STATEMENT RECONCILIATION TO ADJUSTED EBITDA Novelis

(in \$ m)	Q1	Q2	Q3	Q4	FY17	Q1 FY18
Net income (loss) attributable to our common shareholder	24	(89)	63	47	45	101
- Noncontrolling interests	-	-	1	-	1	-
- Interest, net	80	79	65	59	283	62
- Income tax provision	36	27	47	41	151	43
- Depreciation and amortization	89	90	88	93	360	90
EBITDA	229	107	264	240	840	296
- Unrealized loss (gain) on derivatives	7	(4)	(21)	13	(5)	(16)
- Realized gain on derivative instruments not included in segment income	(1)	-	(1)	(3)	(5)	(1)
- Proportional consolidation	8	8	4	8	28	8
- Loss on extinguishment of debt	-	112	-	22	134	-
- Restructuring and impairment, net	2	1	1	6	10	1
- Loss on sale of business	-	27	-	-	27	-
- Loss (gain) on sale of fixed assets	4	2	(2)	2	6	1
- Gain on assets held for sale, net	(1)	(1)	-	-	(2)	-
- Metal price lag (A)	13	14	4	-	31	1
- Others costs (income), net	7	4	6	4	21	(1)
Adjusted EBITDA	268	270	255	292	1,085	289

(A) Effective in the first quarter of fiscal 2018, management removed the impact of metal price lag from Adjusted EBITDA (Segment Income) in order to provide more transparency and visibility for our stakeholders on the underlying performance of the business. 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. The company will continue to report metal price lag as a separate line item in Reconciliation from Net Income (loss) attributable to our common shareholder to Adjusted EBITDA. Segment information for all prior periods presented has been updated to reflect this change.

FREE CASH FLOW AND LIQUIDITY

Novelis

(in \$ m)	Q1	Q2	Q3	Q4	FY17	Q1 FY18
Cash (used in) provided by operating activities	(107)	80	178	424	575	(45)
Cash used in investing activities	(39)	(48)	(35)	(90)	(212)	(31)
Less: outflows (proceeds) from sales of assets	-	12	(12)	(2)	(2)	(1)
Free cash flow	(146)	44	131	332	361	(77)
Capital expenditures	44	46	48	86	224	39

(in \$ m)	Q1	Q2	Q3	Q4	FY17	Q1 FY18
Cash and cash equivalents	457	473	505	594	594	565
Availability under committed credit facilities	633	573	534	701	701	671
Liquidity	1,090	1,046	1,039	1,295	1,295	1,236

