

**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): November 9, 2020

NOVELIS INC.

(Exact name of registrant as specified in its charter)

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)

(404) 760-4000
(Registrant's Telephone Number, Including Area Code)

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))

Securities registered pursuant to Section 12(b) of the Act: None

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

The following information, including Exhibits 99.1 and 99.2, 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 November 9, 2020, Novelis Inc. issued a press release reporting the company's financial results for its fiscal quarter ended September 30, 2020. 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 and Free Cash Flow Before Capital Expenditures, Net Income Attributable to our Common Shareholder Excluding Special Items and Liquidity.

Adjusted EBITDA. EBITDA consists of earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA further adjusts EBITDA by measures commonly used in the company's industry. The company defines Adjusted EBITDA as: earnings before (a) "Depreciation and amortization"; (b) "Interest expense and amortization of debt issuance costs"; (c) interest income; (d) "Unrealized gains (losses) on change in fair value of derivative instruments, net", except for foreign currency remeasurement hedging activities, which are included in segment income; (e) impairment of goodwill; (f) gain or loss on extinguishment of debt; (g) noncontrolling interests' share; (h) adjustments to reconcile our proportional share of "Adjusted EBITDA" from non-consolidated affiliates to income as determined on the equity method of accounting; (i) "Restructuring and impairment, net"; (j) gains or losses on disposals of property, plant and equipment and businesses, net; (k) other costs, net; (l) litigation settlement, net of insurance recoveries; (m) sale transaction fees; (n) "income tax provision(benefit)"; (o) cumulative effect of accounting change, net of tax; (p) metal price lag; (q) business acquisition and other integration related costs, (r) purchase price accounting adjustments; and (s) "income (loss) from discontinued operations, net of tax." 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.

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, the company's senior secured credit facilities, 5.875% senior notes due 2026 and 4.75% senior notes due 2030, provide for adjustments to EBITDA, which may decrease or increase Adjusted EBITDA for purposes of compliance with certain covenants under such facilities and notes. 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 and Free Cash Flow Before Capital Expenditures. "Free cash flow" consists of: (a) "Net cash provided by (used in) operating activities - continuing operations," (b) plus "Net cash provided by (used in) investing activities - continuing operations," (c) plus "Net cash provided by (used in) operating activities - discontinued operations," (d) plus "Net cash provided by (used in) investing activities - discontinued operations," (e) plus cash used in the "Acquisition of assets under a capital lease," (f) plus cash used in the "Acquisition of business, net of cash and restricted cash acquired," (g) plus accrued merger consideration, (h) less "Proceeds from sales of assets and business, net of transaction fees, cash income taxes and hedging," and (g) less "Proceeds from sales of assets and business, net of transaction fees, cash income taxes and hedging - discontinued operations." Management believes "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" does not necessarily represent cash available for discretionary activities, as certain debt service obligations must be funded out of "Free cash flow." Our method of calculating "Free cash flow" may not be consistent with that of other companies.

Net Income Attributable to our Common Shareholder Excluding Special Items. Net income attributable to our common shareholder excluding special items adjusts net income for restructuring and impairment charges, loss on extinguishment of debt, metal price lag, gains (losses) on sale of assets held for sale, gains (losses) on sale of a business, business acquisition and other integration related costs, purchase price accounting adjustments, charitable donation, 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 attributable to our common shareholder 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, gains (losses) on sale of a business, business acquisition and other integration related costs, purchase price accounting adjustments, charitable donations, 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 and 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 excluding special items should be considered in addition to, and not as a substitute for or superior to, results prepared in accordance with US 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 US 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 November 9, 2020 (furnished to the Commission as a part of this Form 8-K).
99.2	Presentation materials, dated November 9, 2020 (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: November 9, 2020

By: /s/ Christopher Courts
Christopher Courts
Interim General Counsel, Corporate Secretary and Compliance
Officer



News Release

Novelis Reports Second Quarter Fiscal 2021 Results

Strong customer relationships across diversified product portfolio, operational excellence, and expanded global presence drives record quarterly results

Q2 Fiscal Year 2021 Highlights

- Net income from continuing operations of \$144 million, up 17% YoY; excluding special items, net income of \$158 million
- Record shipments of 923 kilotonnes, up 11% YoY, up 19% sequentially
- Record adjusted EBITDA of \$455 million, up 22% YoY, up 80% sequentially
- Strong balance sheet with \$2.6 billion in liquidity
- Completed divestment of Duffel on September 30 and signed agreement for sale of Lewisport on November 8; integration work continues with \$38 million run-rate acquisition cost synergies achieved through Q2

ATLANTA, November 9, 2020 – Novelis Inc., the world leader in aluminum rolling and recycling, today reported a net loss attributed to its common shareholder of \$37 million, down 130 percent versus the prior year due to a \$181 million net loss associated with discontinued operations. Net income from continuing operations increased 17 percent versus the prior year to \$144 million for the second quarter of fiscal year 2021. Excluding tax-effected special items in both years, second quarter fiscal 2021 net income was \$158 million, down one percent versus the prior year period, as higher after-tax Adjusted EBITDA was offset by higher depreciation, amortization, and interest expense mainly associated with the acquisition of Aleris.

Second quarter results reflect outstanding operational performance, flexible and efficient customer service, and the ability to meet rapid recovery in customer demand across end markets, with total flat rolled product shipments up 19 percent sequentially as compared to the first quarter of fiscal 2021. The recovery is most pronounced in the automotive market, with second quarter automotive shipments double compared to the first quarter, led by North America and the second consecutive quarter of record automotive shipments in Asia. In South America, increased at-home beverage consumption has significantly shifted package mix towards aluminum cans, resulting in record shipments in this segment. While the COVID-19 pandemic has caused muted demand in the aerospace market, the North American building and construction market has rebounded quickly, exiting the quarter at pre-pandemic levels. The company is also encouraged by the improving demand levels across several other specialty markets, including electronics, coffee capsules and painted products.

"Our outstanding performance this quarter was largely driven by our ability to effectively manage our business and work with customers to meet a sharp increase in demand," said Steve Fisher, President and CEO, Novelis Inc. "While future economic implications resulting from the pandemic remain uncertain, our diverse product portfolio, geographic footprint, and strong financial position will enable Novelis to continue to successfully meet customer needs and continue to invest in our business."

Net sales increased four percent from the prior year period to \$3.0 billion for the second quarter of fiscal 2021, primarily driven by an eleven percent increase in shipments, partially offset by lower average aluminum prices. Total flat rolled product shipments increased to a record 923 kilotonnes, mainly reflecting the addition of the acquired Aleris business.

Adjusted EBITDA increased 22 percent to a record \$455 million in the second quarter of fiscal 2021 compared to \$374 million in the prior year period. Adjusted EBITDA increased versus the prior year even before the positive EBITDA contribution from the acquired Aleris business or acquisition synergies, driven by targeted cost control initiatives, as well as favorable metal costs. On a consolidated per ton basis, Novelis achieved a record EBITDA per ton of \$493 in the quarter.

Year-to-date fiscal 2021 free cash flow of \$132 million compares to \$18 million in the prior year period, driven primarily by lower capital expenditures and working capital, partially offset by lower Adjusted EBITDA, negative metal price lag, and exceptional items recorded in the first quarter fiscal 2021. Capital expenditures decreased versus the prior year to \$222 million, as the company reduces and defers non-strategic capital spending to prioritize cash.

(in \$ millions, non-GAAP measures)	Three Months Ended September 30,		Six Months Ended September 30,	
	2020	2019	2020	2019
Free cash flow	\$ 283	\$ 112	\$ 132	\$ 18
Capital expenditures	113	143	222	305
Free cash flow before capital expenditures	\$ 396	\$ 255	\$ 354	\$ 323

"Our financial strength, particularly as it relates to cash flow generation, is enabling us to move forward with our strategic plans to invest in new capacity and grow the business," said Devinder Ahuja, Senior Vice President and Chief Financial Officer, Novelis Inc. "We also remain committed to reducing net leverage and total debt, while maintaining ample liquidity levels that allow us to adapt quickly to changes in customer demand during these unprecedented times."

As of September 30, 2020, the company reported a strong total liquidity position of \$2.6 billion. Net leverage improved during the quarter to 3.7x, compared to 3.8x at the end of the first fiscal quarter.

COVID-19 Response

Novelis' primary focus remains the health and well-being of its employees. The company is closely monitoring the changing landscape with respect to the COVID-19 pandemic and taking actions to manage its business and support customers. Novelis has bolstered its Environmental Health and Safety protocols to align with guidance from global health authorities and government agencies across company operations to help ensure the safety of its employees, customers, suppliers, communities and other stakeholders. While customer demand recovered across many end markets during its fiscal second quarter, Novelis is actively managing its costs and continues to work closely with customers to leverage its global manufacturing footprint and adjust production levels to meet their needs.

Update on Aleris Acquisition and Required Divestments

On April 14, 2020, Novelis closed its acquisition of Aleris Corporation and is integrating the two companies to drive a number of strategic benefits and allow for at least \$180 million in potential annual synergies. The results from continuing operations reported today for the period ending September 30, 2020 reflect the acquired businesses. Results related to the Duffel and Lewisport plants are reflected as results from discontinued operations. The company filed a form 8-K/A with the Securities and Exchange Commission on June 30, 2020, providing historical and pro forma financial information related to the acquisition.

On September 30, 2020, Novelis completed the required divestment of the Duffel plant to ALVANCE, the international aluminum business of the GFG Alliance. On November 8, 2020, Novelis signed an agreement to sell the Lewisport automotive body sheet business to American Industrial Partners, a private equity firm, for estimated net cash proceeds of approximately \$171 million. With divestments now complete, Novelis is focusing on integration of the continuing operations to drive value creation. Novelis' acquisition of Aleris provides a strong pro-forma financial profile, many strategic benefits, namely securing an integrated manufacturing footprint in China, further portfolio diversification with the addition of aerospace and building and construction, well as new technology and operational capabilities. The acquisition continues to be value accretive, with the long term outlook in line with the original acquisition case.

Second Quarter of Fiscal Year 2021 Earnings Conference Call

Novelis will discuss its second quarter of fiscal year 2021 results via a live webcast and conference call for investors at 7:30 a.m. ET on Monday, November 9, 2020. To view slides and listen only, visit <https://cc.callinfo.com/r/1hz1vjgissitd&eom>. To join by telephone, dial toll-free in North America at 877-242-2872, India toll-free at 18002660839 or the international toll line at +1-303-223-0118. Presentation materials and access information may also be found at novelis.com/investors.

About Novelis

Novelis Inc. is driven by its purpose to shape a sustainable world together. As a global leader in innovative products and services and the world's largest recycler of aluminum, we partner with customers in the aerospace, automotive, beverage can and specialties industries to deliver solutions that maximize the benefits of lightweight aluminum throughout North America, Europe, Asia and South America. Novelis is a subsidiary of Hindalco Industries Limited, an industry leader in aluminum and copper, and the metals flagship company of the Aditya Birla Group, a multinational conglomerate based in Mumbai, India. For more information, visit novelis.com.

Non-GAAP Financial Measures

This news 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, Liquidity, Net Income from continuing operations excluding Special 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 our ability to reduce net leverage and total debt, the possible future risks of the COVID-19 pandemic on our business and potential acquisition synergies from our acquisition of Aleris. 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 including in connection with potential acquisitions and investments; risks arising out of our acquisition of Aleris Corporation, including risks associated with related divestiture requirements and uncertainties inherent in the acquisition method of accounting; disruption to our global aluminum production and supply chain as a result of COVID-19; 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, breakdown of equipment and other events; 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; 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; and our ability to generate cash. The above list of factors is not exhaustive. Other important risk factors are included under the caption "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended March 31, 2020.

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Novelis Inc.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)

(in millions)	Three Months Ended September 30,		Six Months Ended September 30,	
	2020	2019	2020	2019
Net sales	\$ 2,978	\$ 2,851	\$ 5,404	\$ 5,776
Cost of goods sold (exclusive of depreciation and amortization)	2,384	2,348	4,485	4,762
Selling, general and administrative expenses	129	122	251	249
Depreciation and amortization	141	88	259	176
Interest expense and amortization of debt issuance costs	70	61	140	126
Research and development expenses	18	18	37	37
Restructuring and impairment, net	7	32	8	33
Equity in net income of non-consolidated affiliates	(1)	—	(2)	—
Business acquisition and other integration related costs	—	12	11	29
Other expenses, net	18	2	93	6
	\$ 2,766	\$ 2,683	\$ 5,282	\$ 5,418
Income from continuing operations before income tax provision	212	168	122	358
Income tax provision	68	45	39	108
Net income from continuing operations	\$ 144	\$ 123	\$ 83	\$ 250
Loss from discontinued operations, net of tax	(11)	—	(29)	—
Loss on sale of discontinued operations, net of tax	(170)	—	(170)	—
Net loss from discontinued operations	(181)	—	(199)	—
Net (loss) income	\$ (37)	\$ 123	\$ (116)	\$ 250
Net income attributable to noncontrolling interest	—	—	—	—
Net (loss) income attributable to our common shareholder	\$ (37)	\$ 123	\$ (116)	\$ 250

Novelis Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS (unaudited)

(in millions, except number of shares)	September 30, 2020	March 31, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,627	\$ 2,392
Accounts receivable, net		
— third parties (net of allowance for uncollectible accounts of \$7 and \$8 as of September 30, 2020 and March 31, 2020, respectively)	1,317	1,067
— related parties	163	164
Inventories	1,639	1,409
Prepaid expenses and other current assets	164	145
Fair value of derivative instruments	65	202
Assets held for sale	5	5
Current assets of discontinued operations	256	—
Total current assets	\$ 5,236	\$ 5,384
Property, plant and equipment, net	4,625	3,580
Goodwill	1,023	607
Intangible assets, net	676	299
Investment in and advances to non-consolidated affiliates	812	760
Deferred income tax assets	181	140
Other long-term assets		
— third parties	343	219
— related parties	2	—
Long-term assets of discontinued operations	214	—
Total assets	\$ 13,112	\$ 10,989
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 55	\$ 19
Short-term borrowings	393	176
Accounts payable		
— third parties	1,832	1,732
— related parties	220	176
Fair value of derivative instruments	153	214
Accrued expenses and other current liabilities	616	613
Current liabilities of discontinued operations	144	—
Total current liabilities	\$ 3,413	\$ 2,930
Long-term debt, net of current portion	6,767	5,345
Deferred income tax liabilities	126	194
Accrued postretirement benefits	1,023	930
Other long-term liabilities	244	229
Long-term liabilities of discontinued operations	129	—
Total liabilities	\$ 11,702	\$ 9,628
Commitments and contingencies		
Shareholder's equity		
Common stock, no par value; unlimited number of shares authorized; 1,000 shares issued and outstanding as of September 30, 2020 and March 31, 2020	—	—
Additional paid-in capital	1,404	1,404
Retained earnings	512	628
Accumulated other comprehensive income (loss)	(458)	(620)
Total equity of our common shareholder	\$ 1,458	\$ 1,412
Noncontrolling interest	(48)	(51)
Total equity	\$ 1,410	\$ 1,361
Total liabilities and equity	\$ 13,112	\$ 10,989

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

(in millions)	Six Months Ended September 30,	
	2020	2019
OPERATING ACTIVITIES		
Net income from continuing operations	\$ 83	\$ 250
Adjustments to determine net cash provided by operating activities:		
Depreciation and amortization	259	176
Loss (gain) on unrealized derivatives and other realized derivatives in investing activities, net	11	(21)
Gain on sale of assets	(2)	(2)
Impairment charges	—	11
Deferred income taxes, net	(33)	32
Equity in net income of non-consolidated affiliates	(2)	—
Amortization of debt issuance costs and carrying value adjustments	14	9
Other, net	(1)	—
Changes in operating assets and liabilities:		
Accounts receivable	52	51
Inventories	195	(22)
Accounts payable	(70)	(52)
Other assets	52	(2)
Other liabilities	(189)	(128)
Net cash provided by operating activities - continuing operations	369	302
Net cash used in operating activities - discontinued operations	(21)	—
Net cash provided by operating activities	\$ 348	\$ 302
INVESTING ACTIVITIES		
Capital expenditures	(222)	(305)
Acquisition of business, net of cash acquired	(2,614)	—
Proceeds from sales of assets, third party, net of transaction fees and hedging	2	3
Proceeds from investment in and advances to non-consolidated affiliates, net	8	11
(Outflows) proceeds from the settlement of derivative instruments, net	(1)	3
Other	5	7
Net cash used in investing activities - continuing operations	(2,822)	(281)
Net cash provided by investing activities - discontinued operations	207	—
Net cash used in investing activities	\$ (2,615)	\$ (281)
FINANCING ACTIVITIES		
Proceeds from issuance of long-term and short-term borrowings	1,910	12
Principal payments of long-term and short-term borrowings	(30)	(11)
Revolving credit facilities and other, net	(358)	(23)
Debt issuance costs	(24)	(2)
Net cash provided by (used in) financing activities - continuing operations	1,498	(24)
Net cash used in financing activities - discontinued operations	(2)	—
Net cash provided by (used in) financing activities	\$ 1,496	\$ (24)
Net decrease in cash, cash equivalents and restricted cash	(771)	(3)
Effect of exchange rate changes on cash	19	(11)
Cash, cash equivalents and restricted cash — beginning of period	2,402	960
Cash, cash equivalents and restricted cash — end of period	\$ 1,650	\$ 946
Cash and cash equivalents	\$ 1,627	\$ 935
Restricted cash (Included in "Other long-term assets")	14	11
Restricted cash (Included in "Prepaid expenses and other current assets")	9	—
Cash, cash equivalents and restricted cash — end of period	\$ 1,650	\$ 946

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

The following table reconciles Adjusted EBITDA, a non-GAAP financial measure, to Net income attributable to our common shareholder.

(in millions)	Three Months Ended September 30,		Six Months Ended September 30,	
	2020	2019	2020	2019
Net (loss) income attributable to our common shareholder	\$ (37)	\$ 123	\$ (116)	\$ 250
Net income attributable to noncontrolling interests	—	—	—	—
Income tax provision	68	45	39	108
Interest, net	69	58	136	120
Depreciation and amortization	141	88	259	176
EBITDA	\$ 241	\$ 314	\$ 318	\$ 654
Adjustment to reconcile proportional consolidation	15	14	29	29
Unrealized (gains) losses on change in fair value of derivative instruments, net	(6)	(3)	27	(9)
Realized losses on derivative instruments not included in segment income	1	1	4	3
Restructuring and impairment, net	7	32	8	33
Gain on sale of fixed assets	—	(1)	(2)	(2)
Purchase price accounting adjustments	1	—	29	—
Loss from discontinued operations, net of tax	11	—	29	—
Loss on sale of discontinued operations, net of tax	170	—	170	—
Metal price lag	12	5	32	7
Business acquisition and other integration related costs	—	12	11	29
Other, net	3	—	53	2
Adjusted EBITDA	\$ 455	\$ 374	\$ 708	\$ 746

Free Cash Flow (unaudited)

The following table reconciles Free cash flow, a non-GAAP financial measure, to Net cash provided by operating activities - continuing operations.

(in millions)	Six Months Ended September 30,	
	2020	2019
Net cash provided by operating activities - continuing operations	\$ 369	\$ 302
Net cash used in investing activities - continuing operations	(2,822)	(281)
Plus: Cash used in the acquisition of assets under a capital lease	—	—
Plus: Cash used in the acquisition of business, net of cash and restricted cash acquired	2,614	—
Plus: Accrued merger consideration	10	—
Less: Proceeds from sales of assets and business, net of transaction fees, cash income taxes and hedging	(2)	(3)
Free cash flow from continuing operations	169	18
Net cash used in operating activities - discontinued operations	(21)	—
Net cash provided by investing activities - discontinued operations	207	—
Less: Proceeds from sales of assets and business, net of transaction fees, cash income taxes and hedging - discontinued operations	(223)	—
Free cash flow	\$ 132	\$ 18

Cash and Cash Equivalents and Total Liquidity (unaudited)

The following table reconciles Total liquidity to the ending balances of cash and cash equivalents.

(in millions)	September 30,	March 31, 2020
	2020	
Cash and cash equivalents	\$ 1,627	\$ 2,392
Availability under committed credit facilities	1,005	186
Total liquidity	\$ 2,632	\$ 2,578

Reconciliation of Net income from continuing operations, excluding special items (unaudited) to Net income from continuing operations

The following table presents Net income from continuing operations 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 September 30,		Six Months Ended September 30,	
	2020	2019	2020	2019
Net income from continuing operations	144	123	83	250
Special Items:				
Business acquisition and other integration related costs	—	12	11	29
Metal price lag	12	5	32	7
Restructuring and impairment, net	7	32	8	33
Charitable donation	—	—	50	—
Purchase price accounting adjustment	1	—	29	—
Tax effect on special items	(6)	(12)	(33)	(14)
Net income from continuing operations, excluding special items	\$ 158	\$ 160	\$ 180	\$ 305

Segment Information (unaudited)

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

Selected Operating Results Three Months Ended September 30, 2020	North America	Europe	Asia	South America	Eliminations and Other	Total
Adjusted EBITDA	\$ 205	\$ 63	\$ 74	\$ 112	\$ 1	\$ 455
Shipments (in kt)						
Rolled products - third party	367	232	176	148	—	923
Rolled products - intersegment	—	8	2	—	(10)	—
Total rolled products	367	240	178	148	(10)	923
Selected Operating Results Three Months Ended September 30, 2019						
Adjusted EBITDA	\$ 171	\$ 60	\$ 46	\$ 97	\$ —	\$ 374
Shipments (in kt)						
Rolled products - third party	286	237	176	136	—	835
Rolled products - intersegment	—	8	1	5	(14)	—
Total rolled products	286	245	177	141	(14)	835
Selected Operating Results Six Months Ended September 30, 2020						
Adjusted EBITDA	\$ 283	\$ 83	\$ 149	\$ 188	\$ 5	\$ 708
Shipments (in kt)						
Rolled products - third party	639	440	358	260	—	1,697
Rolled products - intersegment	—	12	4	1	(17)	—
Total rolled products	639	452	362	261	(17)	1,697
Selected Operating Results Six Months Ended September 30, 2019						
Adjusted EBITDA	\$ 341	\$ 113	\$ 99	\$ 193	\$ —	\$ 746
Shipments (in kt)						
Rolled products - third party	575	460	359	271	—	1,665
Rolled products - intersegment	—	19	2	9	(30)	—
Total rolled products	575	479	361	280	(30)	1,665

NOVELIS Q2 FISCAL YEAR 2021 EARNINGS CONFERENCE CALL

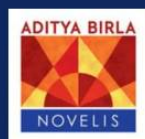
November 9, 2020

Steve Fisher

President and Chief Executive Officer

Dev Ahuja

Senior Vice President and Chief Financial Officer



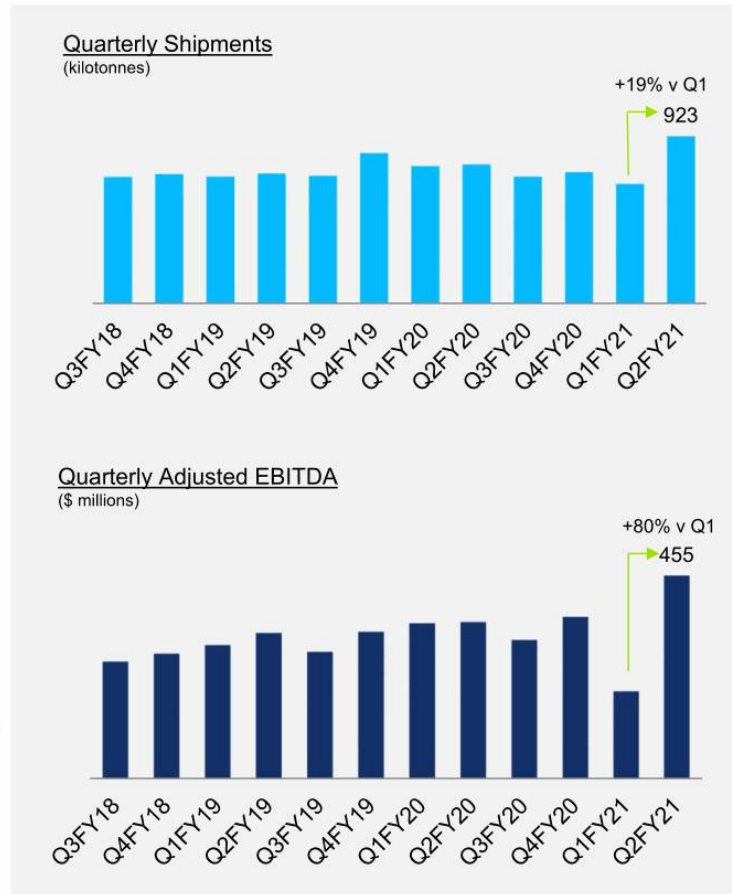
Novelis

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 news release are statements about our expectations about strengthening and growing the business with expansion projects or achieving synergies associated with the acquisition. 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 including in connection with potential acquisitions and investments; risks relating to, and our ability to consummate, pending and future acquisitions, investments or divestitures; 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; 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; the risks of pandemics or other public health emergencies, including the continued spread and impact of, and the governmental and third-party responses to risks arising out of our acquisition of Aleris Corporation including risks associated with related divestiture requirements and uncertainties inherent in the acquisition method of accounting; disruption to our global aluminum production and supply chain as a result of COVID-19; 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; and our ability to generate cash. The above list of factors is not exhaustive. Other important risk factors are included under the caption "Risk Factors" in our upcoming Annual Report on Form 10-K for the fiscal year ended March 31, 2020.

HIGHLIGHTS

- Expanded footprint, strong market demand and good cost control drove record shipments & Adjusted EBITDA in Q2
 - Significant sequential improvement in results compared to Q1FY21
 - Stronger than expected market recovery, particularly in automotive and B&C
 - Diligent cost control across fixed operating, SG&A and R&D costs, and non-strategic capital spending
- Maintaining strong liquidity and balance sheet
- Achieving milestones in post-acquisition integration & divestment activities
- Diverse global footprint and product portfolio provides competitive advantage as some pandemic uncertainty remains





Protecting our Employees

- Top priority to help ensure the safety, health and well-being of our employees, facilities and communities



Operational Impact

- All plants are operational, nearly all running at capacity levels
- Commissioning progress at Guthrie and Changzhou automotive finishing lines



Strong Financial Position

- Actively managing costs to respond to market conditions
- Prioritizing strategic and maintenance capex
- Maintaining strong liquidity and cash position



Customer Demand Impact

Beverage can:

- Higher at-home consumption favors can, particularly in North & South America
- Europe & Asia generally resilient, but some impact from reduced tourism

Automotive:

- Sharp recovery in US & Europe in Q2 after spring shutdowns
- China increased demand for EVs, SUVs and luxury vehicles
- Limited medium-term visibility

Specialties:

- Recovery broadly across end markets

Aerospace:

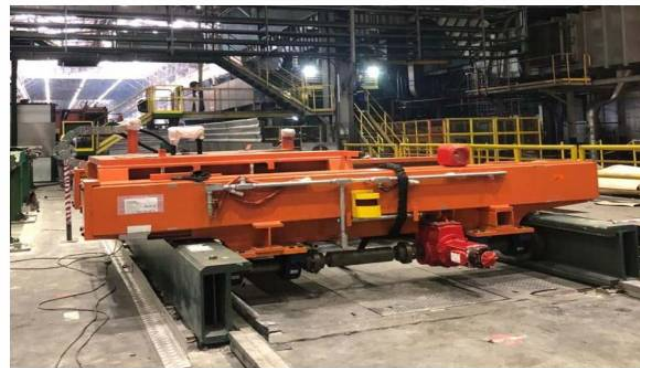
- Reduced build rates due to lower consumer air travel

STRATEGIC EXPANSION UPDATE

- On April 14, 2020, Novelis completed its acquisition of Aleris
 - Completed divestment of Duffel to ALVANCE on September 30 for €310 million
 - Signed an agreement with American Industrial Partners on November 8 to sell Lewisport for estimated \$171 million net cash proceeds
- Accelerating organic expansion projects to meet strong customer demand
 - Guthrie, US automotive finishing line in customer qualification with commercial shipments end of FY21
 - Changzhou, China automotive finishing line qualification to begin Q3FY21; commercial shipments early FY22
 - Pinda, Brazil expansion on track to commission in FY22



Guthrie operator unloading a coil for pretreatment processing



Coil handling system equipment on site in Pinda

FINANCIAL HIGHLIGHTS

Q2 FISCAL 2021 FINANCIAL HIGHLIGHTS



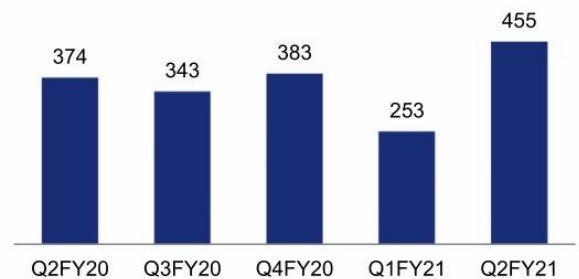
Q2FY21 vs Q2FY20

- Net loss \$37 million, includes \$181 million loss from discontinued operations
- Net Income from continuing operations \$144 million, up 17%
 - Excluding tax-effected special items, net income from continuing operations of \$158 million
- Adjusted EBITDA up 22% from \$374 million to record \$455 million
- Adjusted EBITDA per ton \$493
- Sales up 4% to \$3.0 billion
- Total FRP Shipments up 11% to record 923 kilotonnes
 - Addition of acquired business
 - Automotive shipments doubled from Q1, up slightly YoY
 - Resilient Can shipments up sequentially from Q1, down low single digits YoY

Quarterly Shipments trend
(kilotonnes)

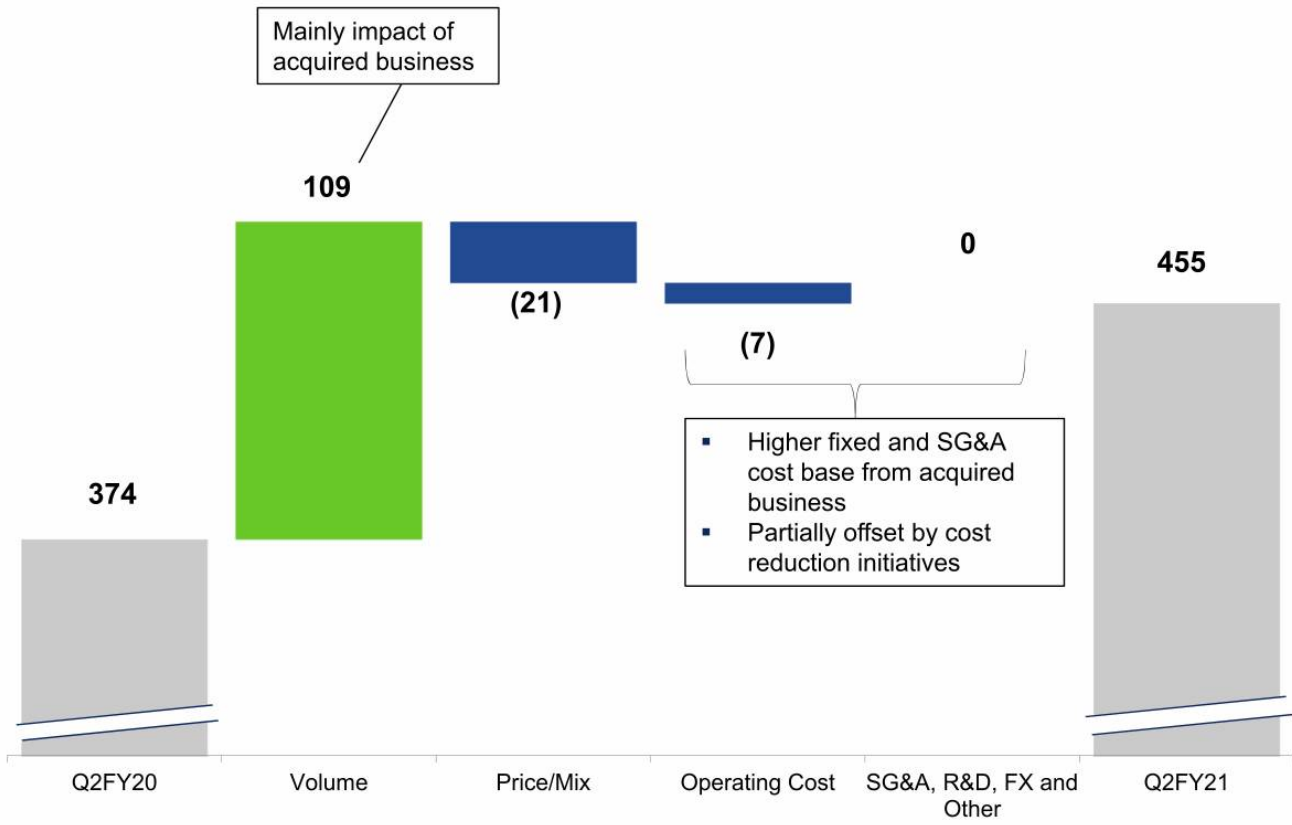


Quarterly Adjusted EBITDA trend
(\$ millions)



Q2 ADJUSTED EBITDA BRIDGE

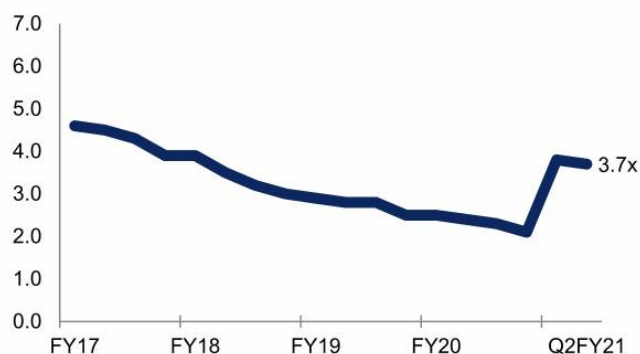
\$ Millions



FREE CASH FLOW AND NET LEVERAGE

\$ Millions	1H FY21	1H FY20
Adjusted EBITDA	708	746
Interest paid	(124)	(116)
Taxes paid	(88)	(99)
Capital expenditures	(222)	(305)
Working capital & other	(105)	(208)
Free cash flow from continuing operations	169	18
Free cash flow from discontinued operations	(37)	-
Free cash flow	132	18
Free cash flow before capex	354	323

Net Leverage ratio
Net debt/TTM Adjusted EBITDA



- Generating robust operating cash flow through working capital and reduced capital expenditures
- FY21 other exceptional items include \$50 million Q1 donation and negative metal price lag
- Net leverage ratio reduced to 3.7x
- Strong liquidity levels \$2.6 billion as of September 30

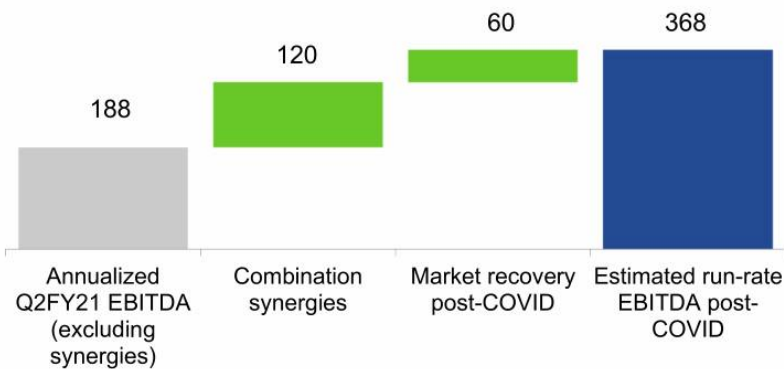
ALERIS INTEGRATION UPDATE

STRONG STRATEGIC RATIONALE FOR TRANSACTION Novelis

Rationale	Entire Aleris Portfolio	Without Lewisport & Duffel
Diversify portfolio, including entry into high-value Aerospace	✓	✓
Fully integrate China Automotive business	✓	✓
Auto Diversification and Growth	✓	Achieved through organic growth
Generate Run-Rate Synergies	~\$150 million ~50/50 split between China & combination synergies	>\$180 million >\$65M China ~\$120M combination

PATH TO SIGNIFICANT ALERIS EBITDA CONTRIBUTION

\$ Millions

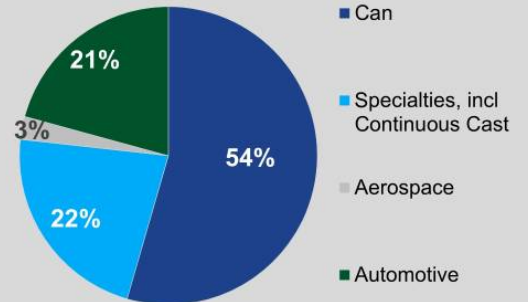


Path to ~\$370 million EBITDA run-rate post-COVID

- Annualized Q2FY21 Aleris EBITDA, less synergies already achieved
- Stronger than forecast combination cost synergies identified
- Base-case assumption for market recovery post-COVID
- Does not yet reflect growth from full capacity utilization, efficiencies, or China synergies

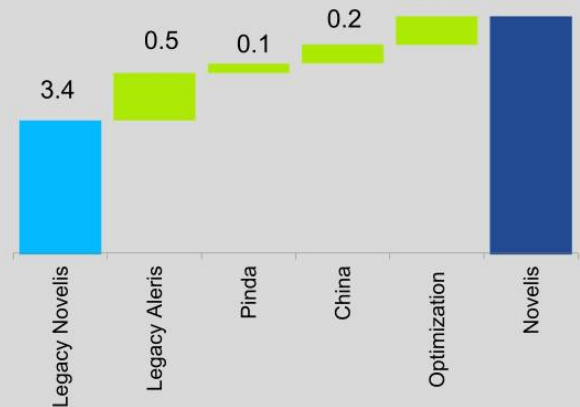
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Directional Consolidated FY23 Shipment Mix



Directional Consolidated Long-Term Capacity

millions of tonnes



SUMMARY

- Integration of Aleris continuing operations to drive synergies and value capture
- Strong customer relationships across diversified product portfolio, operational excellence, and expanded global presence delivers record quarterly results
- Business model durability to sustain operations and provide flexibility during COVID-related uncertainty
- Well positioned to support strong customer near-term order book across end-markets
- Actively managing costs, capital spending and liquidity levels
- Working towards completion of organic expansion projects to strengthen and grow our business for the long term



THANK YOU
QUESTIONS?

APPENDIX

NET INCOME RECONCILIATION TO ADJUSTED EBITDA



(in \$ m)	Q1	Q2	Q3	Q4	FY20	Q1 FY21	Q2 FY21
Net income (loss) attributable to our common shareholder	127	123	107	63	420	(79)	(37)
- Noncontrolling interests	-	-	-	-	-	-	-
- Income tax provision	63	45	49	21	178	(29)	68
- Interest, net	62	58	57	57	234	67	69
- Depreciation and amortization	88	88	91	94	361	118	141
EBITDA	340	314	304	235	1,193	77	241
- Unrealized (gain) loss on derivatives	(6)	(3)	(6)	11	(4)	33	(6)
- Realized (gain) loss on derivative instruments not included in segment income	2	1	(1)	(2)	-	3	1
- Adjustment to reconcile proportional consolidation	15	14	13	15	57	14	15
- (Gain) loss on sale of fixed assets	(1)	(1)	1	2	1	(2)	-
- Loss on extinguishment of debt	-	-	-	71	71	-	-
- Purchase price accounting adjustments	-	-	-	-	-	28	1
- Loss from discontinued operations, net of tax	-	-	-	-	-	18	11
- Loss on sale of discontinued operations, net of tax	-	-	-	-	-	-	170
- Restructuring and impairment, net	1	32	3	7	43	1	7
- Metal price lag (income) expense	2	5	11	20	38	20	12
- Business acquisition and other integration costs	17	12	17	17	63	11	-
- Other, net	2	-	1	7	10	50	3
Adjusted EBITDA	\$372	\$374	\$343	\$383	\$1,472	\$253	\$455

FREE CASH FLOW AND LIQUIDITY

Novelis

	(in \$ m)	Q1	Q2	Q3	Q4	FY20	Q1 FY21	Q2 FY21
Cash provided by (used in) operating activities – continuing operations		57	240	167	498	962	(129)	498
Cash provided by (used in) investing activities – continuing operations		(149)	(127)	(124)	(175)	(575)	(2,637)	(185)
Plus: Cash used in Acquisition of a business, net of cash acquired		-	-	-	-	-	2,550	64
Plus: Accrued merger consideration		-	-	-	-	-	70	(60)
Less: (proceeds) outflows from sale of assets, net of transaction fees, cash income taxes and hedging		(2)	(1)	-	-	(3)	-	(2)
Free cash flow from continuing operations		\$(94)	\$112	\$43	\$323	\$384	\$(146)	\$315
Net cash used in operating activities – discontinued operations		-	-	-	-	-	(15)	(6)
Net cash provided by investing activities – discontinued operations		-	-	-	-	-	10	197
Less: Proceeds from sale of assets and businesses, net of transaction fees, cash income taxes and hedges - discontinued operations		-	-	-	-	-	-	(223)
Free cash flow		\$(94)	\$112	\$43	\$323	\$384	\$(151)	\$283
Capital expenditures		162	143	122	177	604	109	113

	(in \$ m)	Q1	Q2	Q3	Q4	FY20	Q1 FY21	Q2 FY21
Cash and cash equivalents		859	935	1,031	2,392	2,392	1,729	1,627
Cash and cash equivalents of discontinued operations		-	-	-	-	-	89	-
Availability under committed credit facilities		870	875	838	186	186	308	1,005
Liquidity		\$1,729	\$1,810	\$1,869	\$2,578	\$2,578	\$2,126	\$2,632

