

**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 3, 2021

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 Exhibit 99.1, 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 3, 2021, Novelis Inc. issued a press release reporting the company’s financial results for its fiscal quarter ended September 30, 2021. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated by reference herein in its entirety. The press release uses the following non-GAAP financial measures: Adjusted EBITDA, Free Cash Flow, Net Income From Continuing Operations Excluding Special Items, Liquidity and Net Leverage Ratio.

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 (reversal) expenses, 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 related costs, (r) purchase price accounting adjustments; (s) “income (loss) from discontinued operations, net of tax”; and (t) “loss on sale of 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, 3.25% senior notes due 2026, 3.375% senior notes due 2029, 4.75% senior notes due 2030, and 3.875% senior notes due 2031 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. 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 finance 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 (i) 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 From Continuing Operations Excluding Special Items. Net income from continuing operations excluding special items adjusts net income from continuing operations 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 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 from continuing operations 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 from continuing operations 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.

Net Leverage Ratio. Net Leverage Ratio is a financial measure that is used by management to assess the borrowing capacity of the company. The company defines its Net Leverage Ratio as (a) net debt (current portion of long-term debt plus short-term borrowings plus long-term debt, net of current portion less cash and cash equivalents) as of the balance sheet date divided by (b) Adjusted EBITDA for the trailing twelve month period. 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.

Item 9.01. Financial Statements and Exhibits.

99.1	Press release, dated November 3, 2021 (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.

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

Date: November 3, 2021



News Release

Novelis Reports Second Quarter Fiscal 2022 Results

Diverse portfolio of sustainable aluminum rolled products delivers exceptional financial results

Q2 Fiscal Year 2022 Highlights

- Net income from continuing operations of \$239 million, up 66% YoY; net income from continuing operations excluding special items was \$244 million, up 54% YoY
- Shipments of 968 kilotonnes, up 5% YoY
- Adjusted EBITDA of \$553 million, up 22% YoY; Adjusted EBITDA per ton shipped reached \$571, up 16% YoY
- Net leverage ratio further improved to 2.4x, compared to 3.7x in the prior year period
- Refinanced \$1.5 billion of 5.875% Senior Notes due 2026 with \$750 million 3.25% Senior Notes due 2026 and \$750 million 3.875% Senior Notes due 2031

ATLANTA, November 3, 2021 – Novelis Inc., the world leader in aluminum rolling and recycling, today reported net income attributable to its common shareholder of \$237 million in the second quarter of fiscal year 2022 compared to a net loss of \$37 million in the prior year period. Net income from continuing operations increased to \$239 million compared to \$144 million in the prior year. Excluding special items in both years, second quarter fiscal year 2022 net income from continuing operations increased 54% to \$244 million, driven mainly by higher EBITDA.

Net sales increased 38% to \$4.1 billion for the second quarter of fiscal year 2022 compared to \$3.0 billion in the prior year period, primarily driven by a 5% increase in shipments and higher average aluminum prices. Total flat rolled product shipments increased to 968 kilotonnes in the second quarter of fiscal year 2022 compared to 923 kilotonnes in the prior year period, mainly as a result of strong demand for sustainable aluminum beverage packaging and specialty products, partially offset by lower automotive shipments due to the global semiconductor chip shortage impacting the automotive industry.

Adjusted EBITDA increased 22% to \$553 million in the second quarter of fiscal year 2022 compared to \$455 million in the prior year period. The increase in Adjusted EBITDA is primarily due to higher volume and favorable metal benefits, partially offset by inflationary cost pressures. Novelis achieved a record Adjusted EBITDA per ton shipped of \$571 in the second quarter of fiscal year 2022, compared to \$493 in the prior year.

"Our diverse portfolio of high-recycled-content products allowed us to capture strong market demand and deliver another record quarter of EBITDA," said Steve Fisher, President and CEO, Novelis Inc. "While we navigate near-term supply chain challenges, we are actively seeking and implementing new investment opportunities to capture growing customer demand for sustainable, low-carbon aluminum solutions."

Novelis has recently announced plans to invest approximately \$500 million in growth capital projects, including a \$375 million investment to expand its rolling and recycling capabilities in Zhenjiang, China, and a \$130 million investment at its Oswego plant in the US to increase hot mill capacity and enhance automotive sheet finishing capabilities.

Fiscal year-to-date free cash flow from continuing operations was \$158 million compared to the prior year period \$169 million. The primary driver for this reduction versus the prior year was higher working capital requirements due mainly to rising aluminum prices, mostly offset by higher Adjusted EBITDA and favorable metal price lag. The company's net leverage ratio (net debt / TTM Adjusted EBITDA) further improved to 2.4x at the end of the second quarter of fiscal year 2022, compared to 3.7x in the prior year period.

"Since announcing Novelis' long-term capital allocation framework earlier this year, we have reduced gross debt, improved net leverage to below our targeted 2.5x level, and returned \$100 million of capital to our common shareholder," said Devinder Ahuja, Executive Vice President and Chief Financial Officer, Novelis Inc. "At the same time, we have maintained adequate liquidity to effectively manage the business' working capital needs, while also remaining strongly positioned to reinvest capital in new capacity and capabilities."

In August, Novelis successfully completed an offering of \$750 million 3.25% Senior Notes due 2026 and \$750 million 3.875% Senior Notes due 2031. Proceeds were used toward the redemption of all its outstanding 5.875% Senior Notes due 2026.

The company continues to maintain a strong total liquidity position of \$2.1 billion as of September 30, 2021.

Second Quarter Fiscal Year 2022 Earnings Conference Call

Novelis will discuss its second quarter fiscal year 2022 results via a live webcast and conference call for investors at 7:00 a.m. EDT on Wednesday, November 3, 2021. To view slides and listen only, visit <https://cc.callinfo.com/r/1u6e0vyidg2d9&eom>. To join by telephone, dial toll-free in North America at 800-909-4147, India toll-free at 18002660841 or the international toll line at +1-212-231-2924. Presentation materials and access information can also be found at novelis.com/investors.

About Novelis

Novelis Inc. is driven by its purpose of shaping a sustainable world together. We are a global leader in the production of innovative aluminum products and solutions and the world's largest recycler of aluminum. Our ambition is to be the leading provider of low-carbon, sustainable aluminum solutions and to achieve a fully circular economy by partnering with our suppliers, as well as our customers in the aerospace, automotive, beverage can and specialties industries throughout North America, Europe, Asia and South America. Novelis had net sales of \$12.3 billion in fiscal year 2021. 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. 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 news 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 of 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 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 reach our long-term carbon neutrality goals and expand our business, and plans to invest approximately \$500 million in growth capital projects. 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 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, including pending and future litigation settlements, environmental remediation and clean-up costs, breakdown of equipment and other events; ability to manage existing facilities and workforce to operate the business; 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 response to, the ongoing COVID-19 outbreak; changes in government regulations, particularly those affecting taxes, tax policies and effective tax rates, 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, 2021.

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Novelis Inc.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)

(in millions)	Three Months Ended September 30,		Six Months Ended September 30,	
	2021	2020	2021	2020
Net sales	\$ 4,119	\$ 2,978	\$ 7,974	\$ 5,404
Cost of goods sold (exclusive of depreciation and amortization)	3,400	2,384	6,537	4,485
Selling, general and administrative expenses	142	129	301	251
Depreciation and amortization	134	141	268	259
Interest expense and amortization of debt issuance costs	60	70	119	140
Research and development expenses	21	18	45	37
Loss on extinguishment of debt, net	64	—	62	—
Restructuring and impairment expenses (reversal), net	—	7	(2)	8
Equity in net income of non-consolidated affiliates	—	(1)	(1)	(2)
Business acquisition and other related costs	—	—	—	11
Other (income) expenses, net	(20)	18	(84)	93
	<u>\$ 3,801</u>	<u>\$ 2,766</u>	<u>\$ 7,245</u>	<u>\$ 5,282</u>
Income from continuing operations before income tax provision	318	212	729	122
Income tax provision	79	68	187	39
Net income from continuing operations	<u>\$ 239</u>	<u>\$ 144</u>	<u>\$ 542</u>	<u>\$ 83</u>
Loss from discontinued operations, net of tax	(2)	(11)	(65)	(29)
Loss on sale of discontinued operations, net of tax	—	(170)	—	(170)
Net loss from discontinued operations	<u>(2)</u>	<u>(181)</u>	<u>(65)</u>	<u>(199)</u>
Net income (loss)	<u>\$ 237</u>	<u>\$ (37)</u>	<u>\$ 477</u>	<u>\$ (116)</u>
Net income attributable to noncontrolling interest	—	—	—	—
Net income (loss) attributable to our common shareholder	<u>\$ 237</u>	<u>\$ (37)</u>	<u>\$ 477</u>	<u>\$ (116)</u>

Novelis Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS (unaudited)

(in millions, except number of shares)	September 30, 2021	March 31, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 659	\$ 998
Accounts receivable, net		
— third parties (net of allowance for uncollectible accounts of \$7 and \$5 as of September 30, 2021 and March 31, 2021, respectively)	2,124	1,687
— related parties	222	166
Inventories	2,623	1,928
Prepaid expenses and other current assets	212	198
Fair value of derivative instruments	217	137
Assets held for sale	5	5
Current assets of discontinued operations	12	15
Total current assets	\$ 6,074	\$ 5,134
Property, plant and equipment, net	4,628	4,687
Goodwill	1,083	1,083
Intangible assets, net	655	696
Investment in and advances to non-consolidated affiliates	831	838
Deferred income tax assets	137	130
Other long-term assets		
— third parties	271	316
— related parties	1	1
Total assets	\$ 13,680	\$ 12,885
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 443	\$ 71
Short-term borrowings	247	236
Accounts payable		
— third parties	3,083	2,498
— related parties	296	230
Fair value of derivative instruments	582	280
Accrued expenses and other current liabilities	655	670
Current liabilities of discontinued operations	13	16
Total current liabilities	\$ 5,319	\$ 4,001
Long-term debt, net of current portion	4,942	5,653
Deferred income tax liabilities	172	162
Accrued postretirement benefits	852	878
Other long-term liabilities	313	305
Total liabilities	\$ 11,598	\$ 10,999
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, 2021 and March 31, 2021	—	—
Additional paid-in capital	1,304	1,404
Retained earnings	1,341	864
Accumulated other comprehensive loss	(547)	(366)
Total equity of our common shareholder	\$ 2,098	\$ 1,902
Noncontrolling interest	(16)	(16)
Total equity	\$ 2,082	\$ 1,886
Total liabilities and equity	\$ 13,680	\$ 12,885

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

(in millions)	Six Months Ended September 30,	
	2021	2020
OPERATING ACTIVITIES		
Net income (loss)	\$ 477	\$ (116)
Net loss from discontinued operations	(65)	(199)
Net income from continuing operations	\$ 542	\$ 83
Adjustments to determine net cash provided by operating activities:		
Depreciation and amortization	268	259
Loss on unrealized derivatives and other realized derivatives in investing activities, net	36	11
Loss (gain) on sale of assets	2	(2)
Loss on extinguishment of debt, net	62	—
Deferred income taxes, net	54	(33)
Equity in net income of non-consolidated affiliates	(1)	(2)
Loss on foreign exchange remeasurement of debt	1	—
Amortization of debt issuance costs and carrying value adjustments	9	14
Other, net	2	(1)
Changes in assets and liabilities including assets and liabilities held for sale (net of effects from divestitures):		
Accounts receivable	(540)	52
Inventories	(728)	195
Accounts payable	706	(68)
Other assets	(25)	52
Other liabilities	(49)	(187)
Net cash provided by operating activities - continuing operations	339	373
Net cash used in operating activities - discontinued operations	(5)	(31)
Net cash provided by operating activities	\$ 334	\$ 342
INVESTING ACTIVITIES		
Capital expenditures	\$ (194)	\$ (226)
Acquisition of business, net of cash acquired	—	(2,614)
Proceeds from sales of assets, third party, net of transaction fees and hedging	—	2
Proceeds from investment in and advances to non-consolidated affiliates, net	10	8
Outflows from the settlement of derivative instruments, net	(4)	(1)
Other	7	5
Net cash used in investing activities - continuing operations	(181)	(2,826)
Net cash provided by investing activities - discontinued operations	—	217
Net cash used in investing activities	\$ (181)	\$ (2,609)
FINANCING ACTIVITIES		
Proceeds from issuance of long-term and short-term borrowings	\$ 1,520	\$ 1,910
Principal payments of long-term and short-term borrowings	(1,923)	(30)
Revolving credit facilities and other, net	14	(358)
Debt issuance costs	(24)	(24)
Return of capital to our common shareholder	(100)	—
Net cash (used in) provided by financing activities - continuing operations	(513)	1,498
Net cash used in financing activities - discontinued operations	—	(2)
Net cash (used in) provided by financing activities	\$ (513)	\$ 1,496
Net decrease in cash, cash equivalents and restricted cash	(360)	(771)
Effect of exchange rate changes on cash	6	19
Cash, cash equivalents and restricted cash — beginning of period	1,027	2,402
Cash, cash equivalents and restricted cash — end of period	\$ 673	\$ 1,650
Cash and cash equivalents	\$ 659	\$ 1,627
Restricted cash (Included in "Other long-term assets")	14	14
Restricted cash (Included in "Prepaid expenses and other current assets")	—	9
Cash, cash equivalents and restricted cash — end of period	\$ 673	\$ 1,650

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,	
	2021	2020	2021	2020
Net (loss) income attributable to our common shareholder	\$ 237	\$ (37)	\$ 477	\$ (116)
Net income attributable to noncontrolling interests	—	—	—	—
Income tax provision	79	68	187	39
Interest, net	59	69	115	136
Depreciation and amortization	134	141	268	259
EBITDA	\$ 509	\$ 241	\$ 1,047	\$ 318
Adjustment to reconcile proportional consolidation	\$ 15	\$ 15	\$ 29	\$ 29
Unrealized losses (gains) on change in fair value of derivative instruments, net	16	(6)	20	27
Realized losses (gains) on derivative instruments not included in segment income	—	1	(1)	4
Loss on extinguishment of debt, net	64	—	62	—
Restructuring and impairment expenses (reversal), net	—	7	(2)	8
Loss (gain) on sale of fixed assets	2	—	2	(2)
Purchase price accounting adjustments	—	1	—	29
Loss from discontinued operations, net of tax	2	11	65	29
Loss on sale of discontinued operations, net of tax	—	170	—	170
Metal price lag	(59)	12	(113)	32
Business acquisition and other related costs	—	—	—	11
Other, net	4	3	(1)	53
Adjusted EBITDA	\$ 553	\$ 455	\$ 1,108	\$ 708

Free Cash Flow (unaudited)

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

(in millions)	Six Months Ended September 30,	
	2021	2020
Net cash provided by operating activities - continuing operations	\$ 339	\$ 373
Net cash used in investing activities - continuing operations	(181)	(2,826)
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)
Free cash flow from continuing operations	158	169
Net cash used in operating activities - discontinued operations	(5)	(31)
Net cash provided by investing activities - discontinued operations	—	217
Less: Proceeds from sales of assets and business, net of transaction fees, cash income taxes and hedging - discontinued operations	—	(223)
Free cash flow	\$ 153	\$ 132

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, 2021	March 31, 2021
Cash and cash equivalents	\$ 659	\$ 998
Availability under committed credit facilities	1,490	1,223
Total liquidity	\$ 2,149	\$ 2,221

Net debt (unaudited)

The following table reconciles Long-term debt, net of current portion to Net debt.

	September 30,	
	2021	2020
Long-term debt, net of current portion	\$ 4,942	\$ 6,767
Current portion of long-term debt	443	55
Short-term borrowings	247	393
Cash and cash equivalents	(659)	(1,627)
Net debt	\$ 4,973	\$ 5,588

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,	
	2021	2020	2021	2020
Net income from continuing operations	\$ 239	\$ 144	\$ 542	\$ 83
Special Items:				
Business acquisition and other related costs	—	—	—	11
Loss on extinguishment of debt, net	64	—	62	—
Metal price lag	(59)	12	(113)	32
Restructuring and impairment reversal (expense), net	—	7	(2)	8
Charitable donation	—	—	—	50
Purchase price accounting adjustment	—	1	—	29
Tax effect on special items	—	(6)	15	(33)
Net income from continuing operations, excluding special items	<u>\$ 244</u>	<u>\$ 158</u>	<u>\$ 504</u>	<u>\$ 180</u>

Segment Information (unaudited)

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

Selected Operating Results Three Months Ended September 30, 2021	North America	Europe	Asia	South America	Eliminations and Other	Total
Adjusted EBITDA	\$ 227	\$ 78	\$ 92	\$ 154	\$ 2	\$ 553
Shipments (in kt)						
Rolled products - third party	375	251	196	146	—	968
Rolled products - intersegment	—	9	1	1	(11)	—
Total rolled products	375	260	197	147	(11)	968
Selected Operating Results Three Months Ended September 30, 2020						
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 Six Months Ended September 30, 2021						
Adjusted EBITDA	\$ 399	\$ 180	\$ 180	\$ 347	\$ 2	\$ 1,108
Shipments (in kt)						
Rolled products - third party	733	519	386	303	—	1,941
Rolled products - intersegment	—	20	3	1	(24)	—
Total rolled products	733	539	389	304	(24)	1,941
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