

Novelis Q2 Fiscal Year 2026 Earnings Presentation

November 4, 2025

Steve Fisher

President and Chief Executive Officer

Dev Ahuja

Executive Vice President and Chief Financial Officer

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Safe Harbor Statement

Forward-looking statements

Statements made in this presentation 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: that demand for aluminum products will continue to grow; about the efficacy of our tariff mitigation strategies; that our global footprint will be strengthened with the construction of the Bay Minette facility; that our cost efficiency program is expected to increase its run-rate savings by the end of FY2026; and about the expected impact of the Oswego fire on our operations and our projected timeline for the plant's reopening. 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: disruptions or changes in the business or financial condition of our significant customers or the loss of their business or reduction in their requirements; impact of changes in trade policies, new tariffs, duties and other trade measures; price and other forms of competition from other aluminum rolled products producers and potential new market entrants; the competitiveness of our end-markets, and the willingness of our customer to accept substitutes for our products, including steel, plastics, composite materials and glass; our failure to realize the anticipated benefits of strategic investments; increases in the cost or volatility in the availability of primary aluminum, scrap aluminum, sheet ingot, or other raw materials used in the production of our products; risks related to the energy-intensive nature of our operations, including increases to energy costs or disruptions to our energy supplies; downturns in the automotive and ground transportation industries or changes in consumer demand; union disputes and other employee relations issues; the impact of labor disputes and strikes on our customers; loss of our key management and other personnel, or an inability to attract and retain such management and other personnel; unplanned disruptions at our operating facilities, including as a result of adverse weather phenomena or fires; economic uncertainty, capital markets disruption and supply chain interruptions; unexpected impact of public health crises on our business, suppliers, and customers; risks relating to certain joint ventures, subsidiaries and assets that we do not entirely control; risks related to fluctuations in freight costs; risks related to rising inflation and prolonged periods of elevated interest rates; risks related to timing differences between the prices we pay under purchase contracts and metal prices we charge our customers; a deterioration of our financial condition, a downgrade of our ratings by a credit rating agency or other factors which could limit our ability to enter into, or increase our costs of, financing and hedging transactions; risk of rising debt service obligations related to variable rate indebtedness; adverse changes in currency exchange rates; our inability to transact in derivative instruments, or our inability to adequately hedge our exposure to price fluctuations under derivative instruments, or a failure of counterparties to our derivative instruments to honor their agreement; an adverse decline in the liability discount rate, lower-than-expected investment return on pension assets; impairments to our goodwill, other intangible assets, and other long-lived assets; tax expense, tax liabilities or tax compliance costs; risks related to the operating and financial restrictions imposed on us by the covenants in our credit facilities and the indentures governing our Senior Notes; cybersecurity attacks against, disruptions, failures or security breaches and other disruptions to our information technology networks and systems; risks of failing to comply with federal, state and foreign laws and regulations and industry standards relating to privacy, data protection, advertising and consumer protection; our inability to protect our intellectual property, the confidentiality of our know-how, trade secrets, technology, and other proprietary information; risks related to our global operations, including the impact of complex and stringent laws and government regulations; risks related to global climate change, including legal, regulatory or market responses to such change; risks related to a broad range of environmental, health and safety laws and regulations; and risks related to potential legal proceedings or investigations. The above list of factors is not exhaustive. Other important factors are discussed under the captions "Risk Factors" and "Management's Discussion and Analysis" in our Annual Report on Form 10-K for the fiscal year ended March 31, 2025 and as the same may be updated from time to time in our quarterly reports on Form 10-Q, or in other reports which we from time to time file with the SEC.

Q2FY26 Highlights

- Strong underlying performance with Adjusted EBITDA showing sequential improvement
- Q2 Adjusted EBITDA excluding tariff impact is \$506/tonne
- Working tirelessly to restore the Oswego hot mill and minimize customer disruption
- Demand for aluminum products continues to grow, with particular strength in beverage packaging market
- Scrap prices trending stable to favorable
- Net negative tariff impact in Q2FY26, but continue to expect tariff mitigation plan to bear fruit in 2HFY26
- Increase guidance under global cost efficiency program to exit FY26 over \$125 million run-rate
- Greenfield Bay Minette, Alabama (US) plant to begin commissioning its cold mill in Q4FY26; on track for plant commissioning in 2H CY2026



Financial Highlights

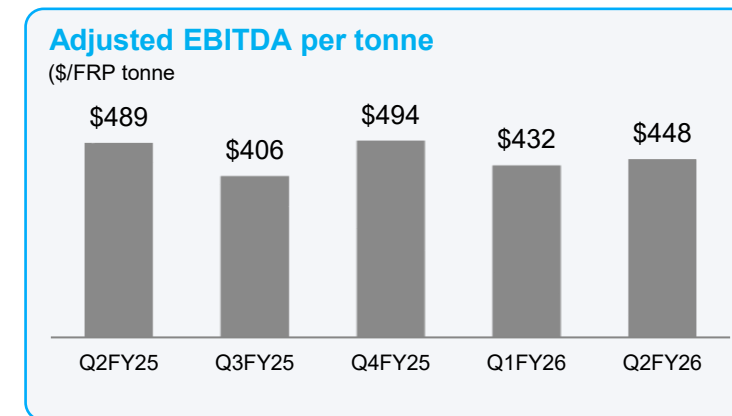
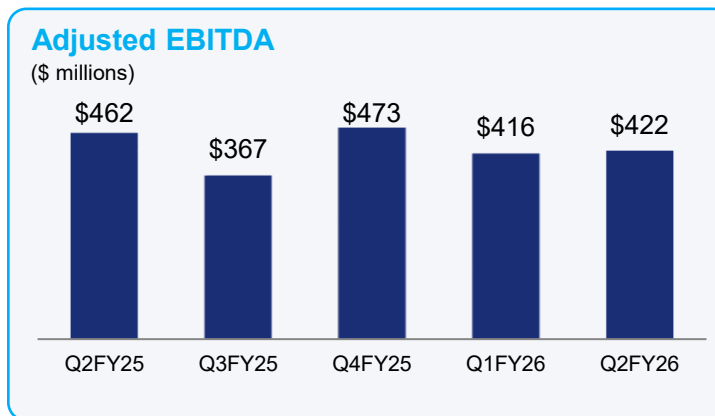
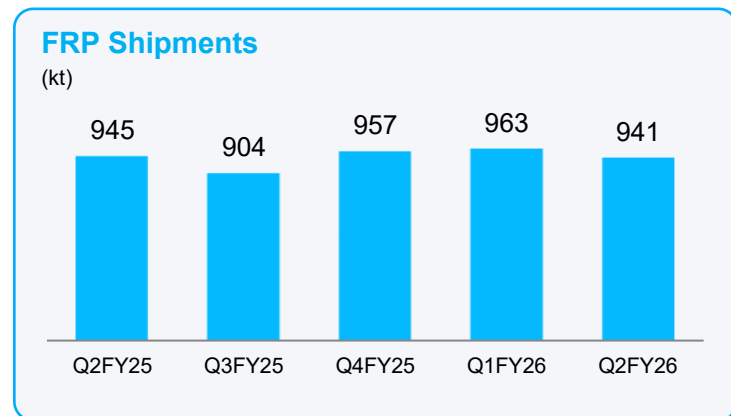


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Q2 Financial Highlights

Q2FY26 vs Q2FY25

- Net Sales up 10% YoY to \$4.7 billion
- Total FRP shipments of 941kt in line with prior year
 - Slightly higher automotive and aerospace shipments were offset by lower beverage packaging and specialty shipments
- Adjusted EBITDA down 9% YoY to \$422 million
 - Q2FY26 includes \$54 million net negative tariff impact
- Adjusted EBITDA per tonne down 8% to \$448
 - Q2FY26 Adjusted EBITDA per tonne is \$506 excluding the tariff impact
- Net income attributable to our common shareholder up 27% to \$163 million
 - Net Income attributable to common shareholder, excluding special items, was \$113 million, down 37% YoY

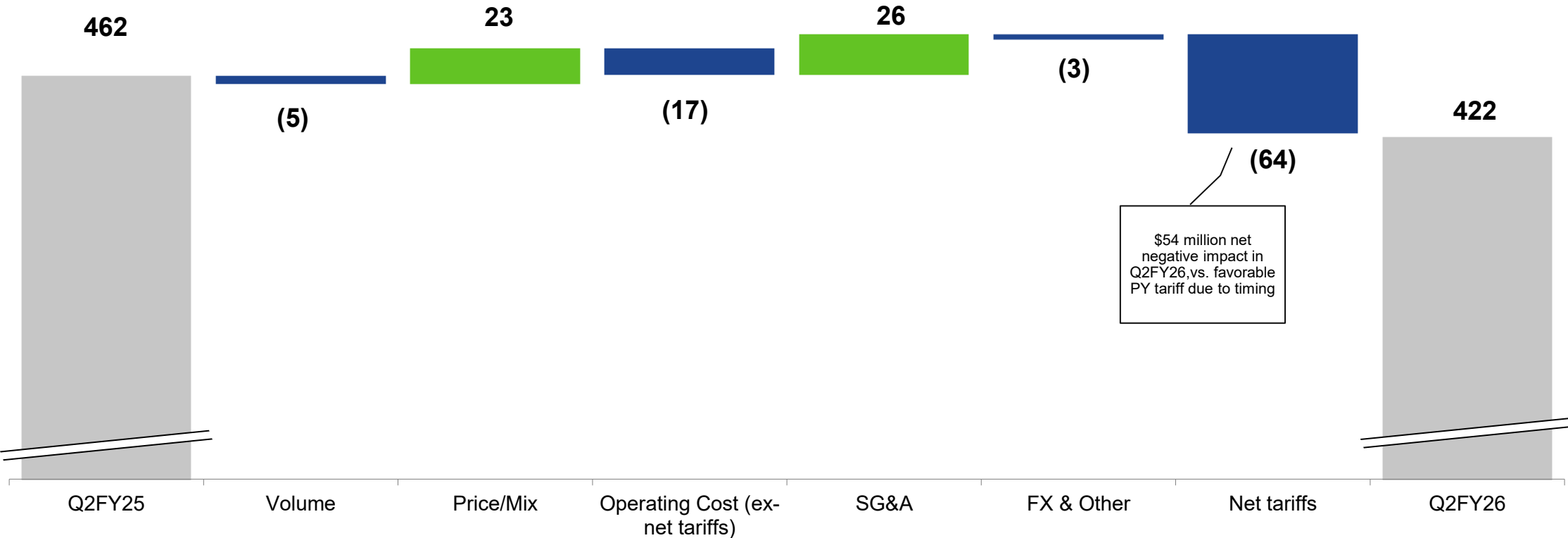


Notes:

1. Special items includes loss on extinguishment of debt, metal price lag, restructuring and impairment expenses, Sierrre flooding, Oswego fire, start-up costs, and tax effect on special items. See appendix for a reconciliation of special items.

Q2 Adjusted EBITDA Bridge vs. prior year

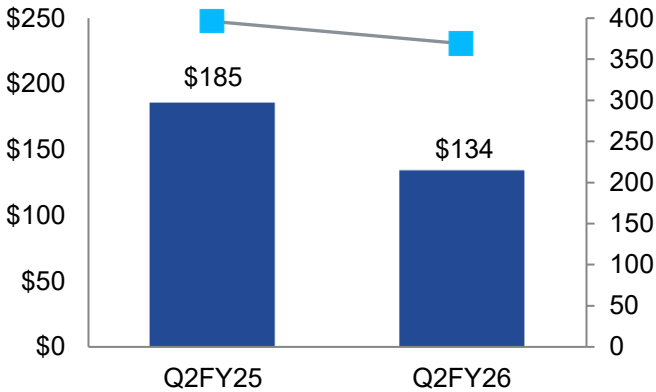
\$ millions



Q2 Segment Results

■ Adjusted EBITDA (\$ millions) ■ Total FRP Shipments (kts)

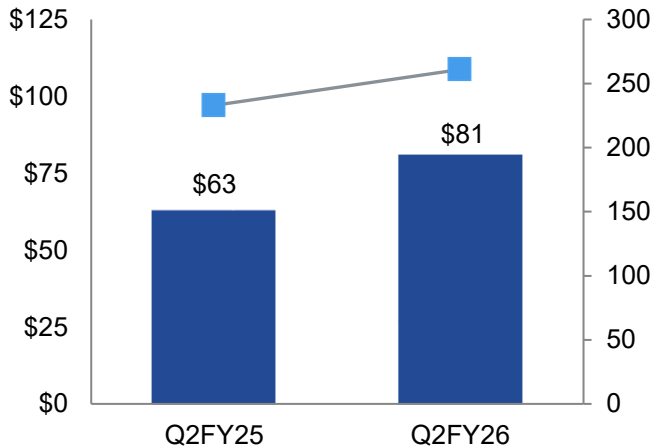
North America



Q2 Shipments down 7%, Adjusted EBITDA -28%

- Lower specialty and beverage packaging shipments during Logan ramp up post-expansion, partially offset by higher automotive shipments
- Net negative tariff impact
- Favorable metal benefit due to improved scrap prices
- Favorable product pricing and product mix

Europe



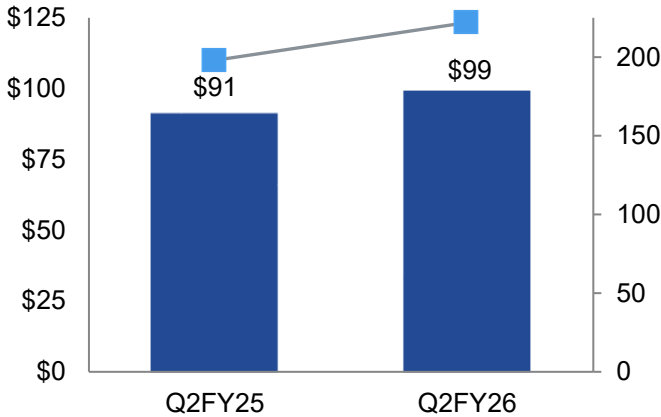
Q2 Shipments +12%, Adjusted EBITDA +29%

- Prior year shipments and Adjusted EBITDA impacted by Sierre flood
- Shipments increased in all end markets: beverage packaging, automotive, aerospace and specialty
- Favorable product pricing
- Lower metal benefit due to higher scrap prices

Q2 Segment Results

■ Adjusted EBITDA (\$ millions) ■ Total FRP Shipments (kts)

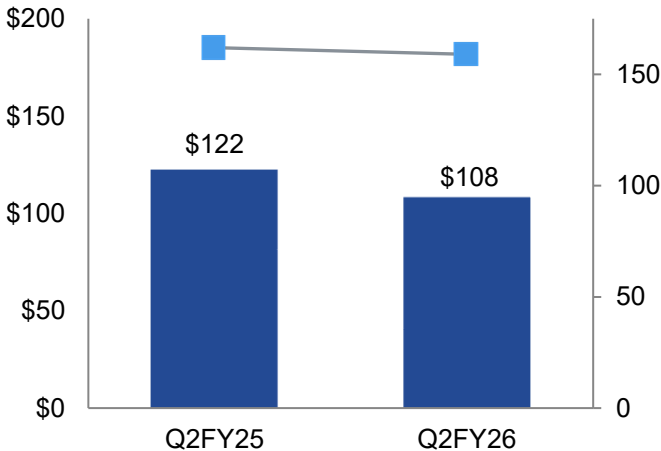
Asia



Q2 Shipments +12%, Adjusted EBITDA +9%

- Record total shipments driven by higher beverage packaging on strong demand globally, partially offset by lower automotive shipments
- Unfavorable product mix
- Lower metal benefit due to higher scrap prices

South America



Q2 Shipments -2%, Adjusted EBITDA -12%

- Lower beverage packaging shipments
- Lower metal benefit due to higher scrap prices
- Favorable foreign exchange

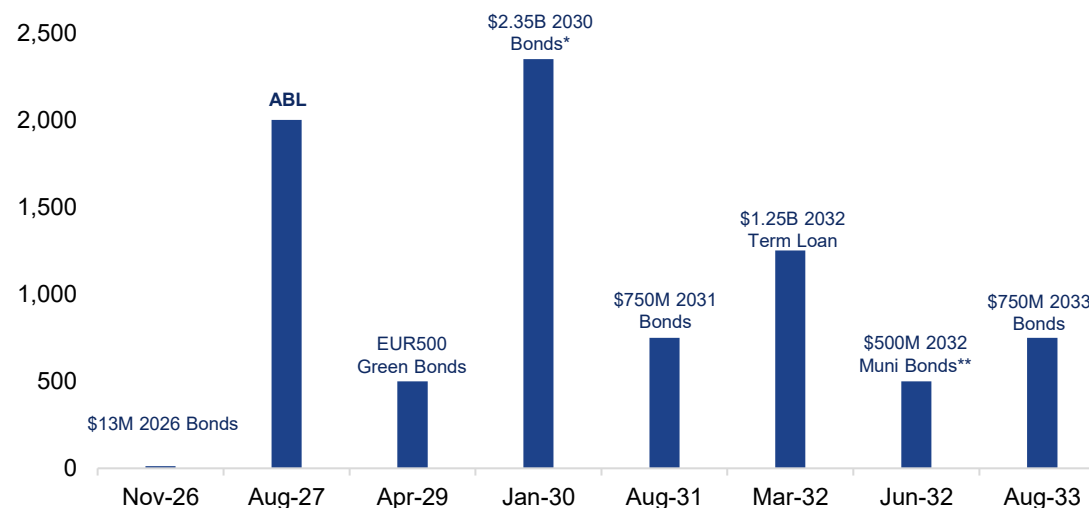
Adj Free Cash Flow, Debt and Net Leverage

\$ millions

Adjusted free cash flow

	YTD FY26	YTD FY25
Adjusted EBITDA	838	962
Interest paid	(127)	(133)
Taxes paid	(80)	(137)
Capital expenditures	(913)	(717)
Metal price lag	198	14
Working capital & other	(415)	(334)
Adjusted free cash flow	(499)	(345)
Adjusted free cash flow before capex	\$414	\$372

Debt maturity profile



* \$1,600M and \$750M Jan 2030 Senior Notes

** \$400M and \$100M Muni Bonds; option to reprice in Jun 2032 and a maturity of Jun 2055

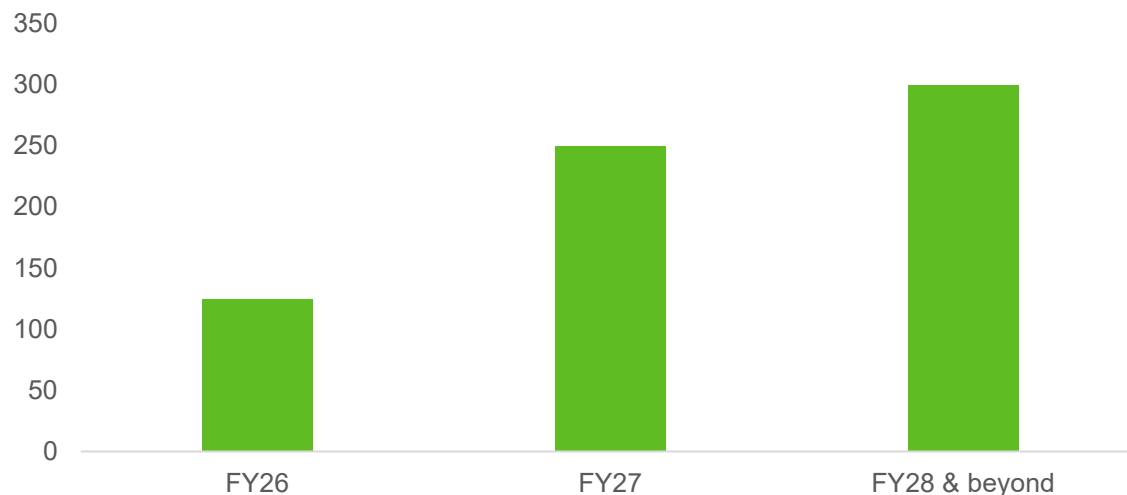
- Net leverage ratio¹ at 3.5x and liquidity of \$2.9 billion at September 30, 2025
- Successful financing and refinancing activity to date provides a balanced debt maturity profile
- FY26 capital expenditures expected to be in a range of \$1.9 billion to \$2.2 billion

1. Net leverage ratio = Adj. Net debt / TTM Adj. EBITDA

Structural cost-reduction initiatives underway

Targeted savings

(\$ millions)



Year-end run-rate savings:

\$125M+

~\$250M

~\$300M+

- Upward revision to projected FY26 cost reduction based on efficiency actions implemented to date
- Now expect to exit FY26 with run-rate savings over \$125 million compared to previously raised estimate \$100+ million
 - Footprint rationalization
 - Idled one of two automotive finishing lines in China
 - Optimizing specialties portfolio in North America with closure of two specialty finishing plants (Richmond, Fairmont)
 - Streamlining SG&A
- Continue targeting over \$300 million in total savings by end of FY28 through these and additional efficiency activities to be implemented
- Recognized \$113 million of related restructuring costs through end of Q2FY26
 - \$80 million of non-cash accelerated depreciation related to footprint rationalization
 - \$33 million employee-related and other restructuring expense, net

Strategic Updates & Outlook



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Fire at Oswego, NY, U.S.

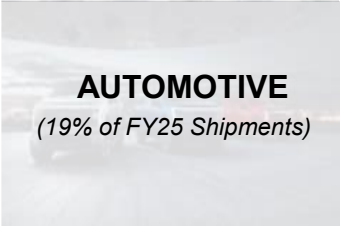
Incident summary & estimated impact

- A significant fire occurred on September 16 at our Oswego, NY, facility in the U.S.
- All employees were safely evacuated and there were no injuries
- Fire was contained to the hot mill and building structure above; all other critical assets are operational
- Roof rebuilding and hot mill recovery underway; expect to restart the hot mill in December 2025
- Working in tight cooperation with customers and leveraging our global presence and external suppliers to mitigate customer impact
- In Q2FY26, recognized \$21 million in related charges
- Estimate FY2026 negative free cash flow impact ~\$550-650 million, including Adjusted EBITDA impact of ~\$100-150 million
- The plant is insured for property damage and business interruption losses related to such events
- Estimate approximately 70-80% recoverable through insurance in future periods



Roof repair progress

End Market Trends

	Long-term growth rates & trends ⁽¹⁾	Near-term market demand trends
 BEVERAGE PACKAGING <i>(60% of FY25 Shipments)</i>	- FY2026-2031 CAGR ~4% (excluding China) - Sustainability preferences driving package mix shift favoring aluminum	Global beverage packaging demand remains strong across regions
 AUTOMOTIVE <i>(19% of FY25 Shipments)</i>	- FY2026-2031 CAGR ~3-5% - Lower aluminum adoption in China - Lightweighting for vehicle performance - Innovation and sustainability	- In Europe, slower economic growth and OEM disruption - Favorable vehicle mix in N America (trucks, SUVs) - Lower aluminum adoption in China - Slower BEV adoption in N America and Europe
 AEROSPACE <i>(3% of FY25 Shipments)</i>	- FY2026-2031 CAGR ~4% - Multi-year OEM order backlogs - Sustainability growing in importance	- Persistent demand for new aircraft - Global aerospace parts supply chain constraints
 SPECIALTY <i>(18% of FY25 Shipments)</i>	- Long-term market growth at GDP+ rates - Undersupplied US housing market - Lightweighting & sustainability trends	- Stable but suppressed Building & Construction demand - Economic & tariff uncertainty and slower EV roll-out muting demand in some segments including batteries, truck/trailer and light gauge markets

1. Source: management estimates

Bay Minette Project Update

- Construction progressing at greenfield rolling & recycling facility in Bay Minette, Alabama, in the US
- 600kt total finished goods capacity upon completion
 - 420kt targeted to beverage packaging, with capacity contracted
 - 180kt capacity targeted primarily for automotive, but flexible for other FRP end markets as well
- Expect full project commissioning to begin 2nd half of CY 2026
 - Cold mill commissioning to start in Q4FY26
 - Hot mill installation underway
 - Hiring & workforce training well underway
- Now estimate total capital cost in the order of \$5 billion
 - Laying a strong foundation for future expansion
 - \$2.2 billion capital expenditures spent through end of Q2FY26



Aerial site view of Bay Minette, October 2025



Hot finishing mill stand installation

Summary & Outlook

- Market fundamentals supporting demand, with strong growth expected to continue in beverage packaging
- Cost efficiencies to drive higher run-rate savings over \$125 million by FY26 end, and over \$300M end of FY28
- Overall scrap prices trending relatively stable to slightly positive
- Tariff mitigation activity expected to bear fruit in 2H FY2026
- Dedicating full strength of our resources to Oswego recovery & minimizing customer impact
- Advancing investments that drive value, achieve sustainability goals, and capture growing demand for sustainable aluminum FRP



Thank You

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Appendix

Reconciliation of Adjusted EBITDA to Net Income Attributable to our Common Shareholder

(in \$ millions)	Q1	Q2	Q3	Q4	FY25	Q1 FY26	Q2 FY26
Net income attributable to our common shareholder	151	128	110	294	683	96	163
Noncontrolling interests	(1)	1	-	-	-	-	-
Income tax provision	60	51	39	9	159	50	61
Interest, net	64	67	61	60	252	62	63
Depreciation and amortization	140	141	142	152	575	148	152
EBITDA	414	388	352	515	1,669	356	439
Adjustment to reconcile proportional consolidation	13	12	9	13	47	14	13
Unrealized (gains) losses on change in fair value of derivative instruments, net	(7)	(9)	(18)	(23)	(57)	8	29
Realized (gains) losses on derivative instruments not included in Adjusted EBITDA	2	3	1	(1)	5	(3)	(3)
Loss on extinguishment of debt, net	-	-	-	7	7	-	3
Restructuring and impairment expenses, net ⁽¹⁾	19	21	6	7	53	85	31
Loss on sale or disposal of assets, net	1	1	-	2	4	2	1
Metal price lag (income) expense	7	(21)	-	(55)	(69)	(69)	(129)
Sierre flood charges, net of recoveries ⁽²⁾	40	61	5	(1)	105	6	2
Oswego fire charges, net of recoveries ⁽³⁾	-	-	-	-	-	-	21
Start-up costs ⁽⁴⁾	-	-	-	-	-	5	8
Other, net	11	6	12	9	38	12	7
Adjusted EBITDA	\$500	\$462	\$367	\$473	\$1,802	\$416	\$422
Rolled product shipments (kt)	951	945	904	957	3,757	963	941
Adjusted EBITDA /tonne⁽³⁾ (\$/tonne)	\$525	\$489	\$406	\$494	\$480	\$432	\$448

1. Restructuring and impairment expenses, net are related to the 2025 Efficiency Plan

2. Sierre flood losses, net of recoveries relate to non-recurring non-operating charges from exceptional flooding at our Sierre, Switzerland plant caused by unprecedented heavy rainfall, net of the related property insurance recoveries.

3. Oswego fire losses, net of recoveries relate to non-recurring non-operating charges from a significant fire at our Oswego, New York plant, net of related property insurance recoveries.

4. Start-up costs related to the construction of a rolling and recycling plant in Bay Minette, Alabama. All of these costs are included in Selling, general and administrative expenses.

Cash provided by operating activities reconciliation to Adjusted free cash flow

	(in \$ m)	Q1	Q2	Q3	Q4	FY25	Q1 FY26	Q2 FY26
Net cash provided by operating activities ⁽¹⁾		74	300	(111)	688	951	105	299
Net cash used in investing activities ⁽¹⁾		(354)	(365)	(459)	(512)	(1,690)	(400)	(503)
Plus: Cash used in acquisition of business and other investments, net of cash acquired		-	-	-	2	2	-	-
Adjusted free cash flow		\$(280)	\$(65)	\$(570)	\$178	\$(737)	\$(295)	\$(204)
Capital expenditures		348	369	458	514	1,689	386	527
Adjusted free cash flow before capex		\$68	\$304	\$(112)	\$692	\$952	\$91	\$323

(1) For the periods shown, the Company did not have any cash flows from discontinued operations in operating activities or investing activities.

Adjusted Net debt and Liquidity

	(in \$ m)	Q1	Q2	Q3	Q4	FY25	Q1 FY26	Q2 FY26
Long-term debt, net of current portion		4,859	4,889	4,997	5,773	5,773	6,230	6,324
Current portion of long-term debt		33	30	29	32	32	33	35
Short-term borrowings		623	868	1,019	348	348	320	527
Unamortized carrying value adjustments ⁽¹⁾		46	44	40	59	59	62	70
Cash and cash equivalents		(886)	(1,071)	(791)	(1,036)	(1,036)	(1,074)	(1,157)
Adjusted Net debt		\$4,675	\$4,760	\$5,294	\$5,176	\$5,176	\$5,571	\$5,799

(1) Prior to the Form 8-K in connection with the press release reporting the company's financial results for its fiscal quarter ended September 30, 2024, the company included net debt in its definition of Net Leverage ratio, which has been replaced with adjusted net debt. Adjusted net debt adds back unamortized carrying value adjustments, whereas net debt calculation did not include this amount. The change reflects the measure as currently assessed by management. Any prior period instances of Net Leverage Ratio in the table above and within this presentation reflect the new calculation.

	(in \$ m)	Q1	Q2	Q3	Q4	FY25	Q1 FY26	Q2 FY26
Cash and cash equivalents		886	1,071	791	1,036	1,036	1,074	1,157
Availability under committed credit facilities		1,288	988	790	1,739	1,739	1,958	1,719
Liquidity		\$2,174	\$2,059	\$1,581	\$2,775	\$2,775	\$3,032	\$2,876

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

	(in \$ m)	Q1	Q2	Q3	Q4	FY25	Q1 FY26	Q2 FY26
Net income attributable to our common shareholder		\$151	\$128	\$110	\$294	\$683	\$96	\$163
Special Items:								
Loss on extinguishment of debt, net		-	-	-	7	7	-	3
Metal price lag loss (gain)		7	(21)	-	(55)	(69)	(69)	(129)
Restructuring and impairment expenses, net		19	21	6	7	53	85	31
Sierre flooding, net of recoveries ⁽¹⁾		40	61	5	(1)	105	6	2
Oswego fire, net of recoveries ⁽²⁾		-	-	-	-	-	-	21
Start-up costs ⁽³⁾		-	-	-	-	-	5	8
Tax effect on special items		(13)	(10)	(2)	10	(15)	(7)	14
Net income attributable to our common shareholder, excluding special items		\$204	\$179	\$119	\$262	\$764	\$116	\$113

1. Sierre flood losses, net of recoveries relate to non-recurring non-operating charges from exceptional flooding at our Sierre, Switzerland plant caused by unprecedented heavy rainfall, net of the related property insurance recoveries.
2. Oswego fire losses, net of recoveries relate to non-recurring non-operating charges from a significant fire at our Oswego, New York plant.
3. Start-up costs related to the construction of a rolling and recycling plant in Bay Minette, Alabama. All of these costs are included in Selling, general and administrative expenses.