

# Novelis Q3 Fiscal Year 2026 Earnings Presentation

**February 11, 2026**

**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

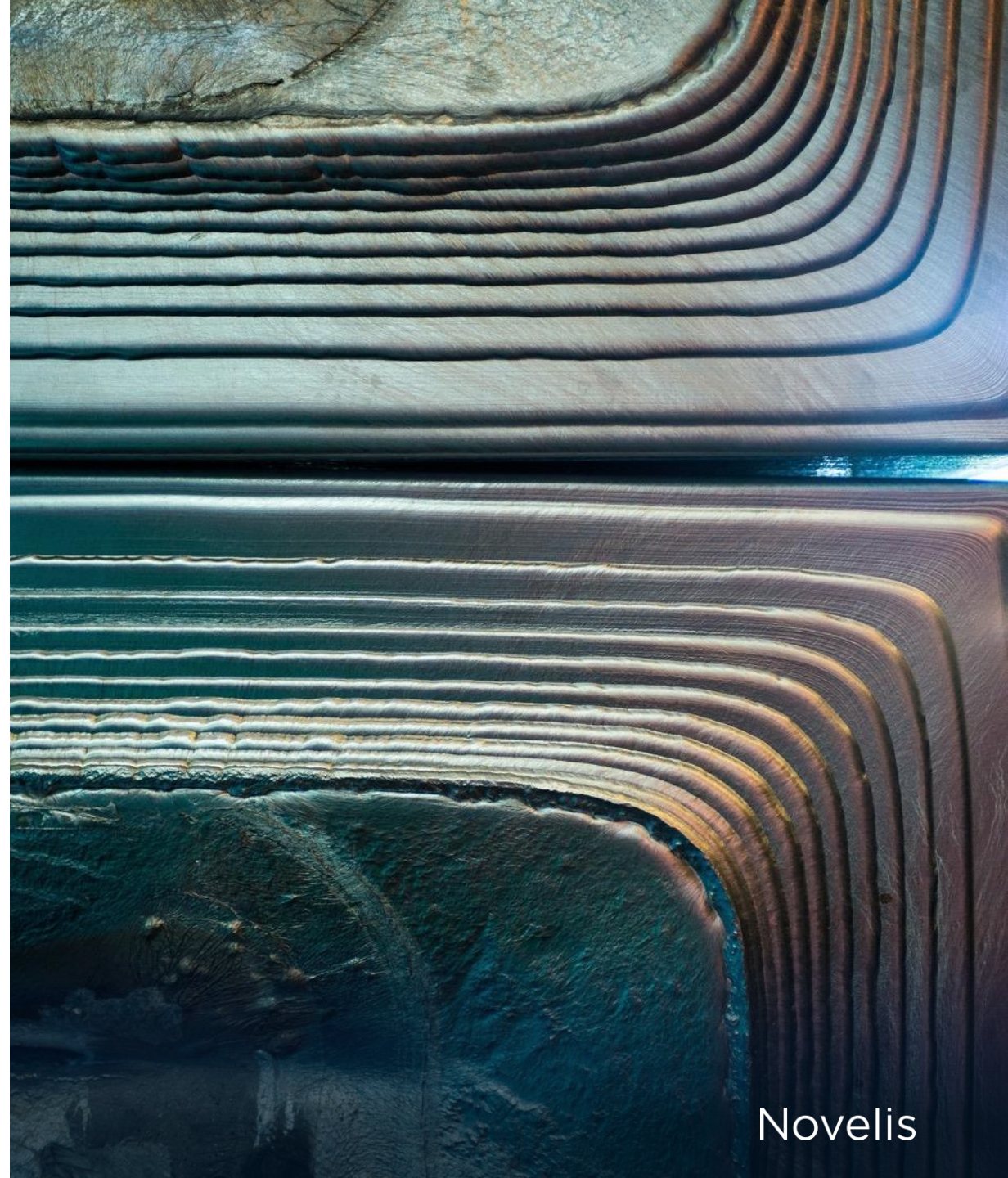
Statements made in this presentation which describe Novelis' intentions, expectations, beliefs or predictions may be forward-looking within the meaning of securities laws. Forward-looking statements include statements preceded by, followed by, or including the words "believes," "expects," "anticipates," "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; regarding the timeline for when the Bay Minette facility will begin commissioning; 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; about our expected capital expenditures for the fiscal year; about the expected impact of the Oswego fires on our operations and financial performance and our projected timeline for the plant's reopening; and about the expected insurance recovery related to the Oswego fires. 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: unplanned disruptions at our operating facilities; 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.



# Q3FY26 Highlights

- Intensely focused on safely restoring the Oswego hot mill to return system to full capacity
- Underlying business is performing well
  - Q3FY26 Adj EBITDA/tonne grew 6% YoY to \$430
  - Q3 Adj. EBITDA down 5% YoY; up significantly excluding negative impact from Oswego fires & tariffs
  - Demand for aluminum products remains resilient, with particular strength in beverage packaging market
  - Scrap prices continue to improve
  - Mitigating net negative tariff impact; reduced 37% QoQ to \$34 million in Q3FY26
  - Global cost efficiency program delivering results; raise expected FY26 exit run-rate savings to ~\$150 million
- Greenfield Bay Minette, Alabama (US) plant to begin commissioning its cold mill in March; firmly on track for full plant commissioning in 2H CY2026



# Production Disruption at Oswego, NY, U.S.

- Our Oswego, NY, plant in the U.S. experienced two separate, significant fires, one on September 16 and the other on November 20, 2025
- All employees were safely evacuated and there were no injuries during either incident
- Both fires were contained to the hot mill area; all other critical assets at Oswego were unaffected and are operational
- Working in tight cooperation with customers and leveraging our global presence and external suppliers to mitigate customer impact
- The plant is insured for property damage and business interruption losses related to such events

## Estimated Impact & Outlook

- Estimated timeline to restart Oswego hot mill late Q2 calendar 2026
- Estimated impact from both fires:
  - Total free cash flow impact<sup>1</sup>, before insurance, of ~\$1.3-1.6 billion, including Adjusted EBITDA impact of ~\$150-200 million
  - Shipments ~150-200kt
  - Approximately 70-80% of cash flow and Adjusted EBITDA impact recoverable through insurance<sup>2</sup>; a majority to be received in future periods

### Notes

1. Total free cash flow impact includes estimates for expected repair costs, operational downtime, working-capital timing, costs to serve customers (and associated tariffs), and other recovery costs. These estimates involve inherent uncertainties, and actual free cash flow may differ materially due to changes in market conditions, restoration timelines, or unanticipated expense.
2. Our ability to recoup any of the foregoing amounts under our insurance coverage, including any amounts that may be recoverable with respect to the fires, is subject to certain conditions, including but not limited to our insurers' reservation of rights to further investigate and contest coverage, the express restrictions and sub-limits of coverage, and various policy exclusions, as well as potential coverage disputes. We are working with our insurers to confirm applicable coverage with respect to the fires, but no firm estimate for potential insurance recovery has been accrued at this time



# Financial Highlights

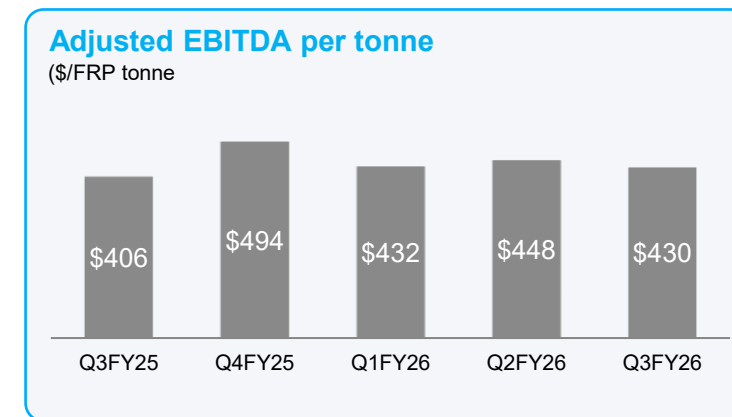
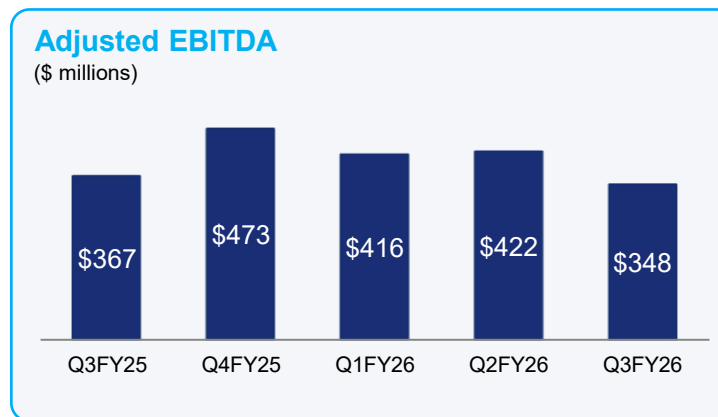
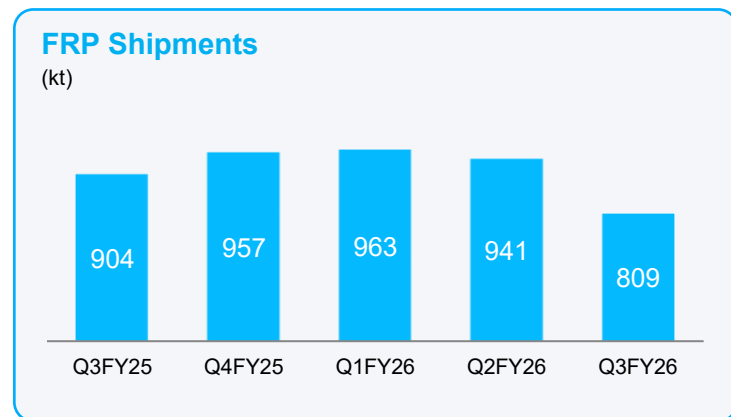


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# Q3 Financial Highlights

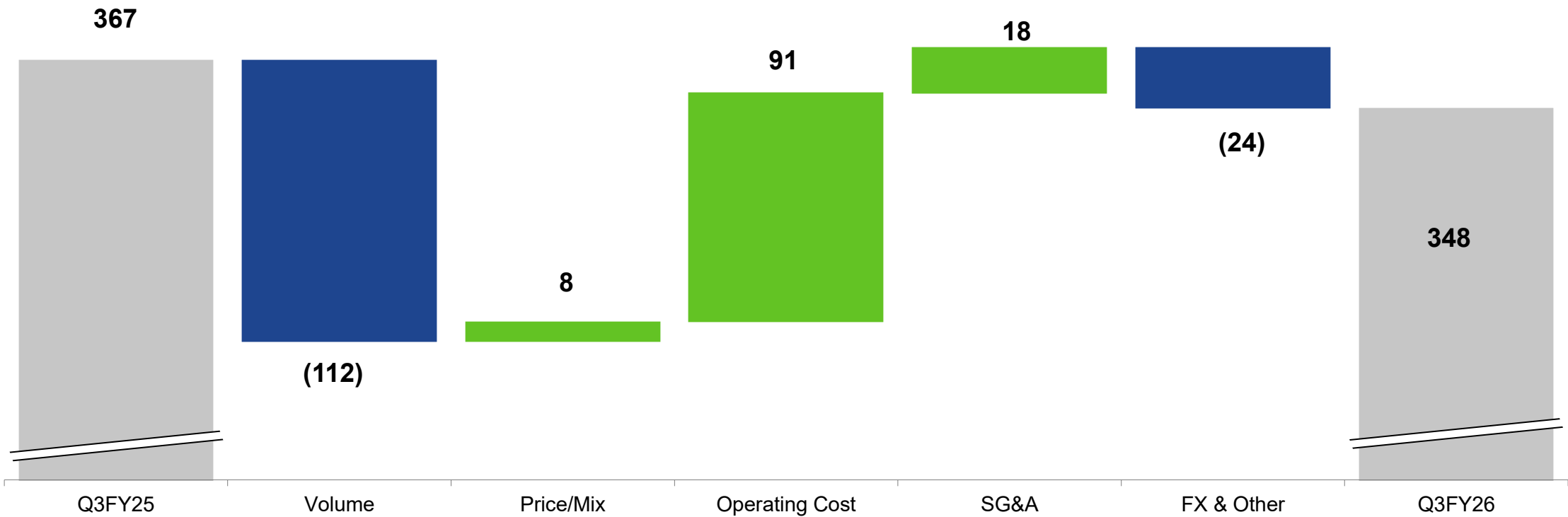
Q3FY26 vs Q3FY25

- Net Sales up 3% YoY to \$4.2 billion
- Total FRP shipments down 11% to 809kt
  - Estimated 72kt lower than expected shipments due to Oswego fires
- Adjusted EBITDA down 5% YoY to \$348 million
  - Impacted by estimated negative \$54 million from Oswego fires and \$34 million from tariffs
- Adjusted EBITDA per tonne up 6% to \$430
  - Excluding the impact from tariffs and Oswego fires to shipments and Adj EBITDA, Q3FY26 Adj. EBITDA per tonne \$495
- Net loss attributable to our common shareholder of \$160 million
  - Includes pre-tax Oswego fire impacts \$54 million in Adjusted EBITDA and a total \$327 million in Oswego fire losses, net of recoveries



# Q3 Adjusted EBITDA Bridge vs. prior year

\$ millions

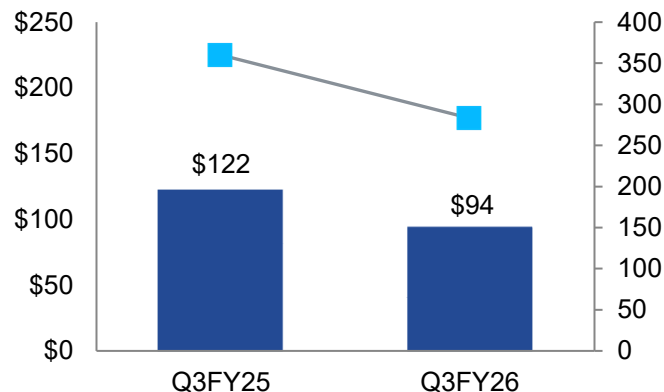


Q3FY26 Adj. EBITDA impacted by an estimated negative \$54 million impact from Oswego fires and \$34 million from tariffs

# Q3 Segment Results

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

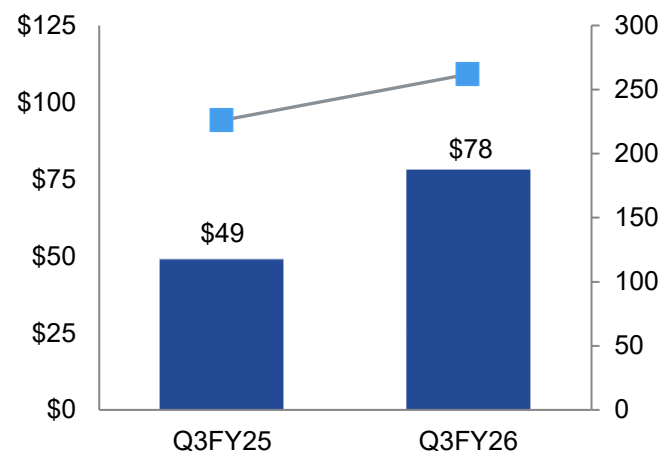
## North America



### Q3 Shipments -21%, Adjusted EBITDA -23%

- Lower shipments across end markets (beverage packaging, automotive, specialties) mainly due to September and November fires at Oswego
- Net negative tariff impact
- Favorable metal benefit due to lower scrap prices
- Favorable product pricing and cost efficiency actions

## Europe



### Q3 Shipments +16%, Adjusted EBITDA +59%

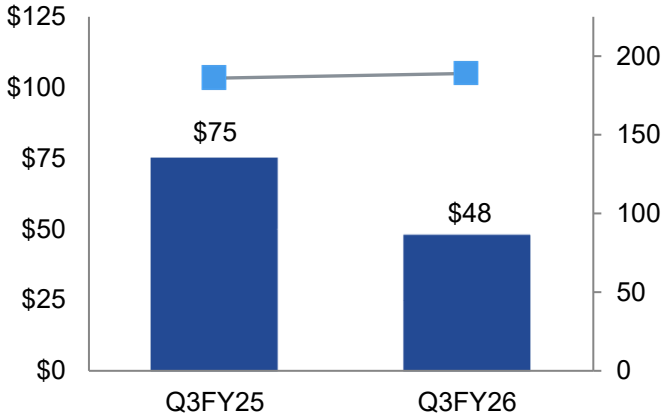
- Higher beverage packaging, aerospace and specialty shipments on positive European demand
- Higher automotive shipments mainly to support N America, partially offset by a European customer production disruption
- Favorable product pricing and foreign exchange
- Lower metal benefit due to higher scrap prices



# Q3 Segment Results

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

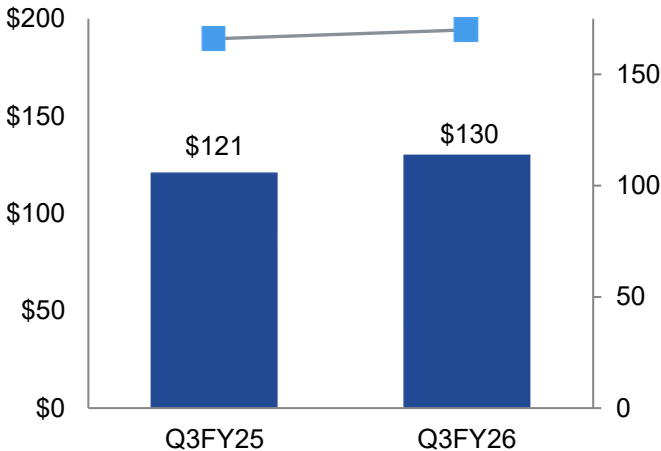
Asia



## Q3 Shipments +2%, Adjusted EBITDA -36%

- Higher total beverage packaging and aerospace shipments, partially offset by lower automotive shipments
- Lower metal benefit due to higher scrap prices and metal input mix

South America



## Q3 Shipments +2%, Adjusted EBITDA +7%

- Higher export of beverage packaging shipments
- Favorable metal benefit due to improved scrap prices
- Favorable foreign exchange
- Unfavorable product mix within beverage packaging segment

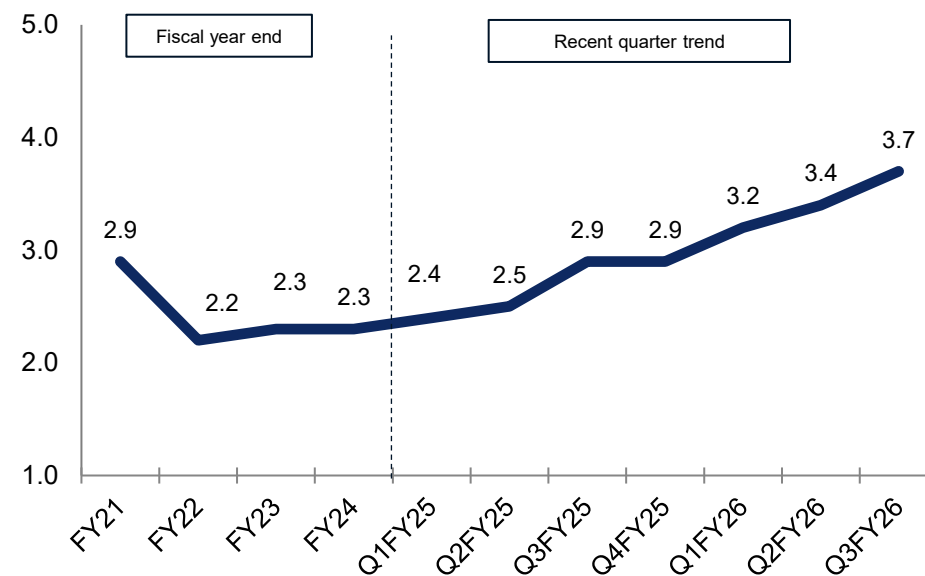
# Adj Free Cash Flow and Net Leverage

\$ millions

## Adjusted free cash flow

	YTD FY26	YTD FY25
Adjusted EBITDA	1,186	1,329
Interest paid	(136)	(185)
Taxes paid	(134)	(199)
Capital expenditures	(1,577)	(1,175)
Metal price lag	324	14
Working capital & other	(1,304)	(699)
<b>Adjusted free cash flow</b>	<b>(1,641)</b>	<b>(915)</b>
<b>Adjusted free cash flow before capex</b>	<b>(64)</b>	<b>260</b>

## Net leverage ratio (Adj. Net debt/TTM Adj. EBITDA)

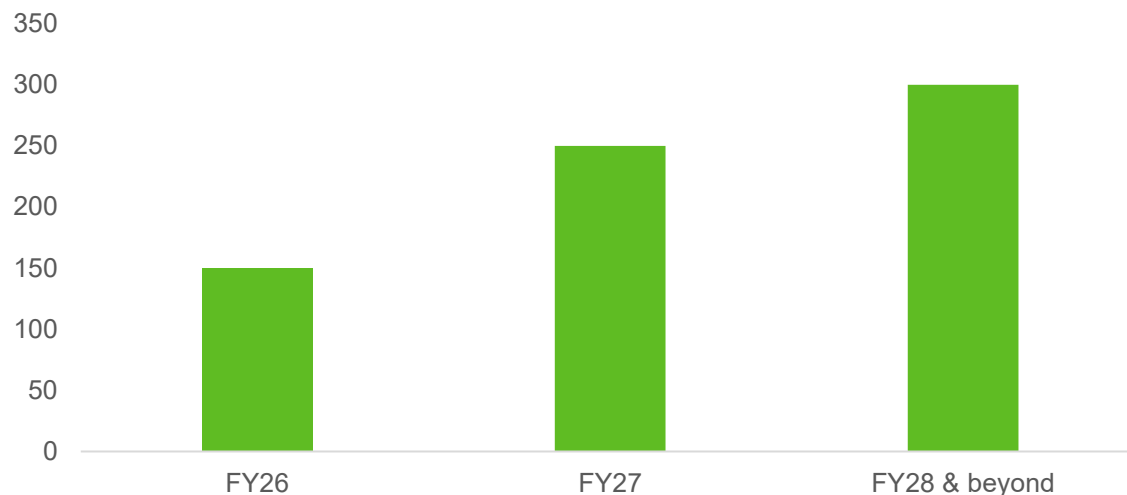


- FY26 cash flow impacted by negative \$485 million across working capital & other costs, capital expenditures and Adjusted EBITDA related to Oswego fires
- Net leverage ratio at 3.7x and liquidity of \$2.6 billion at December 31, 2025
- \$750 million equity infusion received from the parent company in December 2025
- FY26 capital expenditures expected to be in a range of \$1.9 billion to \$2.2 billion

# Structural cost-reduction initiative

## Targeted savings

(\$ millions)



Year-end run-rate savings:

**\$150M+**

**~\$250M**

**~\$300M+**

- With cost optimization efforts matured, now anticipate exiting FY26 at an upwardly revised run-rate savings over \$150 million (vs \$125+ million last estimate and \$75+ million initial estimate)
  - Streamlining SG&A
  - Operational efficiencies
  - Footprint rationalization
- Continue targeting over \$300 million in total savings by end of FY28 through these and additional efficiency activities to be implemented
- Recognized \$131 million of cumulative related restructuring costs through end of Q3FY26
  - \$86 million of non-cash accelerated depreciation related to footprint rationalization
  - \$45 million employee-related and other restructuring expense, net



# Strategic Updates & Outlook



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# End Market Trends

Long-term growth rates & trends <sup>(1)</sup>		Near-term market demand trends
<b>BEVERAGE PACKAGING</b> <i>(60% of FY25 Shipments)</i>	<ul style="list-style-type: none"> <li>FY2026-2031 CAGR ~4% (excluding China)</li> <li>Sustainability preferences driving package mix shift favoring aluminum</li> </ul>	<ul style="list-style-type: none"> <li>Global beverage packaging demand remains strong across regions</li> </ul>
<b>AUTOMOTIVE</b> <i>(19% of FY25 Shipments)</i>	<ul style="list-style-type: none"> <li>FY2026-2031 CAGR ~3-5%</li> <li>Lightweighting and innovation for vehicle performance</li> <li>Favorable vehicle mix in N America</li> <li>Slower BEV adoption ex-China; but lower aluminum adoption in China</li> </ul>	<ul style="list-style-type: none"> <li>Capacity constraints given Oswego hot mill outage; high use of inter-regional &amp; industry support</li> <li>Europe demand stable under constrained economic conditions</li> <li>Favorable vehicle mix in N America (trucks, SUVs)</li> </ul>
<b>AEROSPACE</b> <i>(3% of FY25 Shipments)</i>	<ul style="list-style-type: none"> <li>FY2026-2031 CAGR ~4%</li> <li>Multi-year OEM order backlogs</li> <li>Sustainability growing in importance</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing demand for new aircraft</li> <li>Global aerospace parts supply chain constraints signaling some easing</li> </ul>
<b>SPECIALTY</b> <i>(18% of FY25 Shipments)</i>	<ul style="list-style-type: none"> <li>Long-term market growth at GDP+ rates</li> <li>Undersupplied US housing market</li> <li>Lightweighting &amp; sustainability trends</li> </ul>	<ul style="list-style-type: none"> <li>Stable but suppressed Building &amp; Construction demand</li> <li>Economic &amp; tariff uncertainty and slower EV roll-out muting demand in some segments including batteries, truck/trailer and light gauge markets</li> </ul>

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
- Estimated total capital cost in the order of \$5 billion
  - \$2.7 billion capital expenditures spent on this project through end of Q3FY26
- Expect project commissioning to begin 2<sup>nd</sup> half of CY 2026
  - Cold mill commissioning expected to start March 2026
  - Hot mill installation continues
  - Hiring & workforce training well underway



*Aerial site view of Bay Minette, January 2026*



# Summary

- Underlying market fundamentals remain positive
  - Strong growth expected to continue in beverage packaging
  - Favorable trends in scrap market
- Controllable actions yielding improved Adjusted EBITDA per tonne
  - Cost efficiency program yielding positive results with raised outlook for FY26 savings
  - Tariff mitigation plan on track
- Dedicating full strength of our resources to Oswego recovery & minimizing customer impact
- Significant progress advancing US investment at Bay Minette



# 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	Q3 FY26
<b>Net income attributable to our common shareholder</b>	<b>151</b>	<b>128</b>	<b>110</b>	<b>294</b>	<b>683</b>	<b>96</b>	<b>163</b>	<b>(160)</b>
Noncontrolling interests	(1)	1	-	-	-	-	-	1
Income tax provision	60	51	39	9	159	50	61	4
Interest, net	64	67	61	60	252	62	63	62
Depreciation and amortization	140	141	142	152	575	148	152	155
<b>EBITDA</b>	<b>414</b>	<b>388</b>	<b>352</b>	<b>515</b>	<b>1,669</b>	<b>356</b>	<b>439</b>	<b>62</b>
Adjustment to reconcile proportional consolidation	13	12	9	13	47	14	13	12
Unrealized (gains) losses on change in fair value of derivative instruments, net	(7)	(9)	(18)	(23)	(57)	8	29	33
Realized (gains) losses on derivative instruments not included in Adjusted EBITDA	2	3	1	(1)	5	(3)	(3)	(1)
Loss on extinguishment of debt, net	-	-	-	7	7	-	3	-
Restructuring and impairment expenses, net <sup>(1)</sup>	19	21	6	7	53	85	31	20
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)	(126)
Sierre flood charges, net of recoveries <sup>(2)</sup>	40	61	5	(1)	105	6	2	2
September Oswego fire losses, net of recoveries <sup>(3)</sup>	-	-	-	-	-	-	21	300
November Oswego fire losses, net of recoveries <sup>(3)</sup>	-	-	-	-	-	-	-	27
Start-up costs <sup>(4)</sup>	-	-	-	-	-	5	8	12
Other, net	11	6	12	9	38	12	7	7
<b>Adjusted EBITDA</b>	<b>\$500</b>	<b>\$462</b>	<b>\$367</b>	<b>\$473</b>	<b>\$1,802</b>	<b>\$416</b>	<b>\$422</b>	<b>\$348</b>
<b>Rolled product shipments (kt)</b>	<b>951</b>	<b>945</b>	<b>904</b>	<b>957</b>	<b>3,757</b>	<b>963</b>	<b>941</b>	<b>809</b>
<b>Adjusted EBITDA /tonne<sup>(3)</sup> (\$/tonne)</b>	<b>\$525</b>	<b>\$489</b>	<b>\$406</b>	<b>\$494</b>	<b>\$480</b>	<b>\$432</b>	<b>\$448</b>	<b>\$430</b>

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. September Oswego fire losses, net of recoveries and November Oswego fire losses, net of recoveries relate to non-recurring non-operating charges from two significant fires at our Oswego, New York plant..

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	Q3 FY26
Net cash provided by operating activities <sup>(1)</sup>	74	300	(111)	688	951	105	306	(501)	
Net cash used in investing activities <sup>(1)</sup>	(354)	(365)	(459)	(512)	(1,690)	(400)	(510)	(640)	
Less: Proceeds from sales of assets and business, net of transaction fees, cash income taxes and hedging	-	-	-	2	2	-	-	(1)	
Adjusted free cash flow	\$(280)	\$(65)	\$(570)	\$178	\$(737)	\$(295)	\$(204)	\$(1,142)	
Capital expenditures	348	369	458	514	1,689	386	527	664	
Adjusted free cash flow before capex	\$68	\$304	\$(112)	\$692	\$952	\$91	\$323	\$(478)	

(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	Q3 FY26
Long-term debt, net of current portion		4,859	4,889	4,997	5,773	5,773	6,230	6,324	6,317
Current portion of long-term debt		33	30	29	32	32	33	35	52
Short-term borrowings		623	868	1,019	348	348	320	527	592
Unamortized carrying value adjustments <sup>(1)</sup>		46	44	40	59	59	62	70	68
Cash and cash equivalents		(886)	(1,071)	(791)	(1,036)	(1,036)	(1,074)	(1,157)	(825)
<b>Adjusted Net debt</b>		<b>\$4,675</b>	<b>\$4,760</b>	<b>\$5,294</b>	<b>\$5,176</b>	<b>\$5,176</b>	<b>\$5,571</b>	<b>\$5,799</b>	<b>\$6,204</b>

(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	Q3 FY26
Cash and cash equivalents		886	1,071	791	1,036	1,036	1,074	1,157	825
Availability under committed credit facilities		1,288	988	790	1,739	1,739	1,958	1,719	1,727
<b>Liquidity</b>		<b>\$2,174</b>	<b>\$2,059</b>	<b>\$1,581</b>	<b>\$2,775</b>	<b>\$2,775</b>	<b>\$3,032</b>	<b>\$2,876</b>	<b>\$2,552</b>



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

	(in \$ m)	Q1	Q2	Q3	Q4	FY25	Q1 FY26	Q2 FY26	Q3 FY26
Net income attributable to our common shareholder		\$151	\$128	\$110	\$294	\$683	\$96	\$163	\$(160)
Special Items:									
Loss on extinguishment of debt, net		-	-	-	7	7	-	3	-
Metal price lag loss (gain)		7	(21)	-	(55)	(69)	(69)	(129)	(126)
Restructuring and impairment expenses, net		19	21	6	7	53	85	31	20
Sierre flooding, net of recoveries <sup>(1)</sup>		40	61	5	(1)	105	6	2	2
September Oswego fire, net of recoveries <sup>(2)</sup>		-	-	-	-	-	-	21	300
November Oswego fire, net of recoveries <sup>(2)</sup>		-	-	-	-	-	-	-	27
Start-up costs <sup>(3)</sup>		-	-	-	-	-	5	8	12
Tax effect on special items		(13)	(10)	(2)	10	(15)	(7)	14	(55)
<b>Net income attributable to our common shareholder, excluding special items</b>		<b>\$204</b>	<b>\$179</b>	<b>\$119</b>	<b>\$262</b>	<b>\$764</b>	<b>\$116</b>	<b>\$113</b>	<b>\$20</b>

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. September Oswego fire losses, net of recoveries and November Oswego fire losses, net of recoveries relate to non-recurring non-operating charges from two significant fires 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.