NOVELIS Q3 FISCAL 2019 EARNINGS CONFERENCE CALL

February 5, 2019

Steve Fisher
President and Chief Executive Officer
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SAFE HARBOR STATEMENT

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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 expectation that the pending Aleris acquisition will close in the third quarter of this year. 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, including the pending acquisition of Aleris Corporation; 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 included under the caption "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended March 31, 2018 are specifically incorporated by reference into this news release.

HIGHLIGHTS

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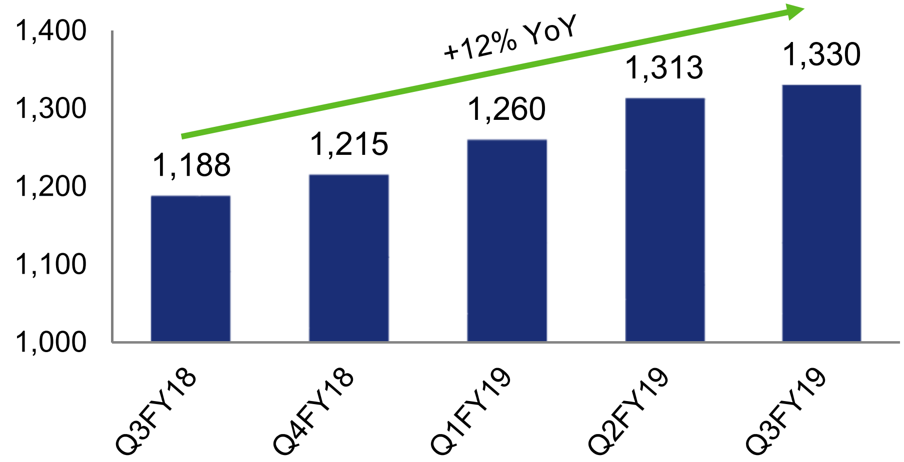
- Record third quarter Adjusted EBITDA and shipments
  - Solid operational performance
  - Strong customer demand for sustainable, lightweight aluminum in a seasonally low quarter
  - Optimizing product mix
  - Continued cost focus, including through metal mix
- Automotive expansion projects in US and China are under construction and on schedule
- Announced expansion plans in Brazil to meet growing customer demand
- Pending Aleris acquisition continues to progress forward

Trailing Twelve Month Adjusted EBITDA ($M)



SOUTH AMERICAN EXPANSION TO MEET DEMAND

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Pindamonhangaba, Brazil

- Supporting our customers' growth
  - 4-5% local beverage can growth
  - Package mix shift toward sustainable aluminum solutions
  - Economic growth
- $175 million investment
- 100kt of additional rolling capacity and 60kt of recycling capacity
- Opening in 2021

Increases global rolling capacity to ~3.4 million tonnes

ALERIS ACQUISITION UPDATE

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- On July 26 2018, signed definitive agreement to purchase Aleris for $2.58B ($775M in cash for the equity, and the assumption of debt[1])
- Continue to work through regulatory and closing process
- Expect to close the transaction in Q3 calendar year 2019 (Jul-Sep)
- Commitment to Net Debt/Adjusted EBITDA forecasted to peak below 4x at close; return to 3x within two years
- Secured bridge financing in December 2018

1) Aleris 3/31/2018 Net Debt plus $103M in fees associated with June refinancing. Excludes exchangeable notes of $45M which convert to equity.

FINANCIAL HIGHLIGHTS

Q3 FISCAL 2019 FINANCIAL HIGHLIGHTS

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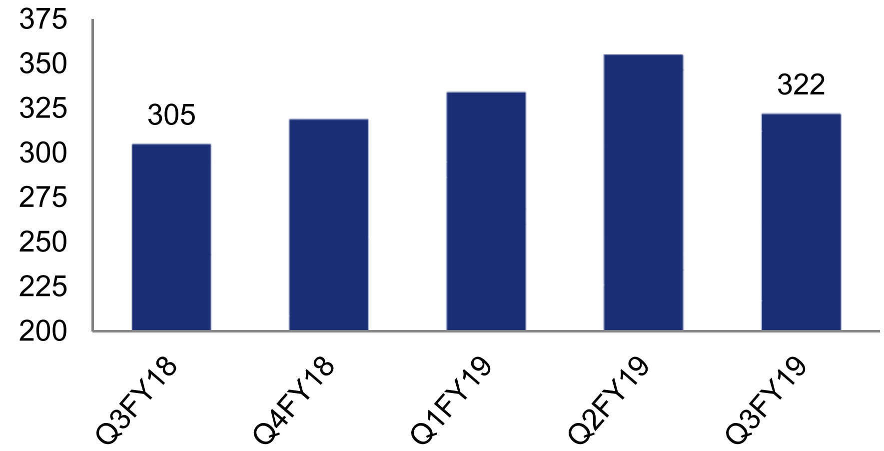
Q3FY19 vs Q3FY18

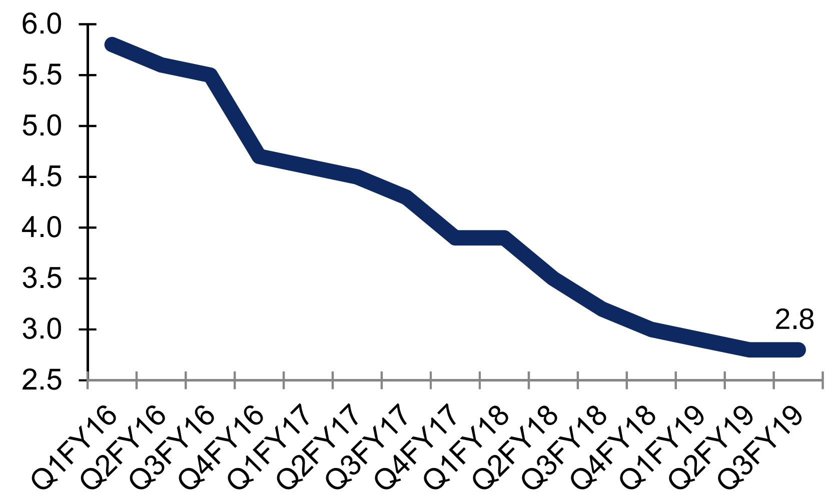
- Net income of $78 million
  - Excluding tax-effected special items*, net income $101 million compared to $138 million PY
  - $34 million prior year benefit from US tax reform
- Adjusted EBITDA up 6% from $305 million to $322 million
- Sales up 3% to $3.0 billion
- Total FRP Shipments up 1% to 800 kilotonnes
- Strong liquidity position at $1.7 billion
- Net leverage ratio 2.8x

Quarterly Adjusted EBITDA ($M)



Net Leverage ratio

Net debt/TTM Adjusted EBITDA



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

Q3 ADJUSTED EBITDA BRIDGE

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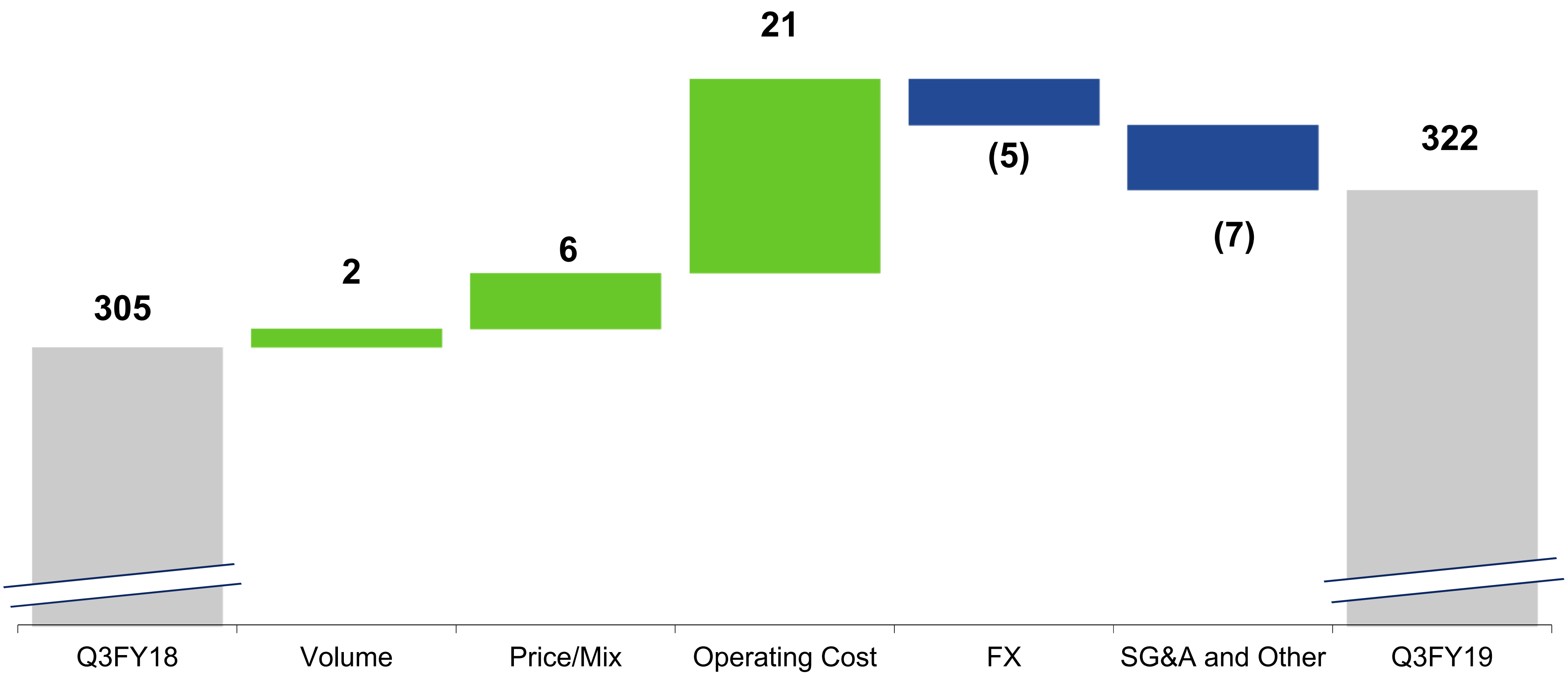
$ Millions



Proven operational performance and strong market conditions

FREE CASH FLOW

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$ Millions

	YTD FY19	YTD FY18
Adjusted EBITDA	1,011	896
Interest paid	(189)	(197)
Taxes paid	(125)	(107)
Working capital & other	(360)	(353)
Free cash flow before CapEx	**337**	**239**
Capital expenditures	(210)	(136)
Free cash flow*	**127**	**103**

** Free cash flow excludes the gain from Ulsan Aluminum JV transaction and Sierre transaction; see definition of Free Cash Flow in Appendix*

- YTD free cash flow before capital expenditures increased $98 million:
  - 13% increase in Adjusted EBITDA
  - Partially offset by higher taxes
- Funding increased capital expenditures for organic growth
- Expect FY19 full year capital expenditures ~$400 million

ALERIS FINANCING

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- 100% debt-funded deal at Novelis
- Net Debt/Adjusted EBITDA forecasted to peak below 4x at close; return to 3x within two years
- Secured bridge financing in December 2018
  - $775 million incremental secured term loan with a five year maturity to fund equity
  - $1.5 billion short-term unsecured bridge loan with up to one year maturity for refinancing

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OUTLOOK & SUMMARY

SUMMARY

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- Strong operating performance and favorable market conditions driving financial growth
- Positive market conditions near and long term in key end markets
- Making disciplined strategic investments to diversify our product portfolio and strengthen our business
- Pending Aleris acquisition continues to progress

THANK YOU

QUESTIONS?

APPENDIX

NET INCOME RECONCILIATION TO ADJUSTED EBITDA

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(in $ m)	Q1	Q2	Q3	Q4	FY18	Q1 FY19	Q2 FY19	Q3 FY19
Net income attributable to our common shareholder	**101**	**307**	**121**	**106**	**635**	**137**	**116**	**78**
- Noncontrolling interests	-	-	(16)	3	(13)	-	-	-
- Income tax provision	43	116	20	54	233	53	64	37
- Interest, net	62	62	62	60	246	63	66	64
- Depreciation and amortization	90	91	86	87	354	86	86	88
EBITDA	**296**	**576**	**273**	**310**	**1,455**	**339**	**332**	**267**
- Unrealized (gain) loss on derivatives	(16)	18	(15)	(7)	(20)	4	(1)	6
- Realized (gain) loss on derivative instruments not included in segment income	(1)	-	1	-	-	-	(1)	-
- Proportional consolidation	8	8	17	18	51	16	15	14
- Loss (gain) on sale of fixed assets	1	1	2	3	7	3	(1)	2
- Restructuring and impairment, net	1	7	25	1	34	1	-	1
- Metal price lag expense (income)	1	5	(1)	(9)	(4)	(33)	(1)	13
- Gain on sale of business	-	(318)	-	-	(318)	-	-	-
- Business acquisition and other integration costs (A)	-	-	-	-	-	2	8	14
- Other, net	(1)	5	3	3	10	2	4	5
Adjusted EBITDA	**$289**	**$302**	**$305**	**$319**	**$1,215**	**$334**	**$355**	**$322**

(A) Effective in the second quarter of fiscal 2019, management removed the impact of business acquisition and other integration costs from Adjusted EBITDA in order to enhance the visibility of the underlying operating performance of the Company. The impact of "Business acquisition and other integration costs", which are costs, primarily legal and professional fees, presented above associated with our pending acquisition of Aleris, is now reported as a separate line item in this reconciliation and on our condensed consolidated statement of operations. This change in presentation does not impact our condensed consolidated financial statements.

FREE CASH FLOW AND LIQUIDITY

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(in $ m)	Q1	Q2	Q3	Q4	FY18	Q1 FY19	Q2 FY19	Q3 FY19
Cash (used in) provided by operating activities	(45)	139	143	349	586	48	162	114
Cash (used in) provided by investing activities	(31)	273	(72)	(87)	83	(52)	(291)	(91)
Plus: Cash used in the acquisition of assets under a capital lease	-	-	-	-	-	-	239	-
Less: (proceeds) outflows from sale of assets, net of transaction fees, cash income taxes and hedging	(1)	(311)	8	41	(263)	-	(2)	-
Free cash flow	**$(77)**	**$101**	**$79**	**$303**	**$406**	**$(4)**	**$108**	**$23**
Capital expenditures	39	43	54	90	226	54	60	96

"Free cash flow" consists of: (a) "net cash provided by (used in) operating activities," (b) plus "net cash provided by (used in) investing activities" (c) plus cash used in the "Acquisition of assets under a capital lease", and (d) less "proceeds from sales of assets and business, net of transaction fees, cash income taxes and hedging". All prior periods presented conform to the presentation adopted for the current period.

(in $ m)	Q1	Q2	Q3	Q4	FY18	Q1 FY19	Q2 FY19	Q3 FY19
Cash and cash equivalents	565	949	757	920	920	853	829	797
Availability under committed credit facilities	671	700	967	998	998	1,059	907	884
Liquidity	**$1,236**	**$1,649**	**$1,724**	**$1,918**	**$1,918**	**$1,912**	**$1,736**	**$1,681**