

CLOSED ACQUISITION OF ALERIS

April 14, 2020



Novelis

Forward-looking statements

Statements made in this presentation which describe Novelis' intentions, expectations, beliefs or predictions may be forward-looking statements within the meaning of securities laws. Forward-looking statements include statements preceded by, followed by, or including the words "believes," "expects," "anticipates," "plans," "estimates," "projects," "forecasts," or similar expressions. Examples of forward-looking statements in this presentation including statements concerning anticipated run rate cost synergies resulting from the transaction. Novelis cautions that, by their nature, forward-looking statements involve risk and uncertainty and that 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 for future capital requirements; changes in the relative values of various currencies and the effectiveness of our currency hedging activities; factors affecting our operations, such as litigation, environmental remediation and clean-up costs, labor relations and negotiations, breakdown of equipment and other events; the impact of restructuring efforts in the future; 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, particularly sectors in which our customers operate; cyclical demand and pricing within the principal markets for our products as well as seasonality in certain of our customers' industries; changes in government regulations, particularly those affecting taxes, 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; the effect of taxes and changes in tax rates; 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, 2019 are specifically incorporated by reference into this presentation.

Novelis and Aleris Financial Information

Any combined financial information included in today's presentation is preliminary, unaudited and does not give effect to adjustments that would be required under Article 11 of Regulation S-X, does not give effect to purchase accounting adjustments and presentation requirements relating to Aleris' Lewisport, Kentucky and Duffel, Belgium plants as discontinued operations, and has not been reviewed by our independent registered public accounting firm. The company will provide required pro-forma financial information in a future filing on Form 8-K. Additional financial information about historical results for Novelis can be found in the investors section of the Novelis website, <http://investors.novelis.com/>, and in its filings with the SEC. Historical financial information for Aleris can be found in its filings with the SEC.

STRONG STRATEGIC RATIONALE FOR TRANSACTION

Metric	Entire Aleris Portfolio	With Lewisport & Duffel Divestitures
China Integration	✓	✓
Aerospace Participation	✓	✓
Auto Diversification and Growth	✓	Achieved through organic growth
Run-Rate Synergies	\$150 million	\$150 million

Solidifies Novelis' global leadership position in aluminum FRP and recycling

FINANCIAL OVERVIEW

- On April 14, 2020, closed Aleris acquisition for ~\$2.8 billion, including equity consideration of \$825 million¹ and ~\$2.0 billion for the assumption or extinguishment of Aleris debt
 - Aleris trailing twelve month Adjusted EBITDA \$388 million² implies 7.2x multiple, in line with original acquisition case
 - Legacy Aleris debt levels increased since initial acquisition announcement to support the ramp up of operations
 - \$50 million earn-out payment is due to stronger than expected performance by Aleris' U.S. business
- Expected strong financial profile and significant cash flow generation from combined company
 - Trailing twelve month Net Debt/Adjusted EBITDA³ ~3.3x, within the recently updated guidance of below 3.5x and well below the initial outlook of below 4x at transaction announcement
 - ~\$150 million in synergies



1) Includes \$775 million for equity and \$50 million earn-out payment based upon Aleris meeting specified commercial margin targets outlined in the Merger Agreement.
2) Trailing twelve month (TTM) Adjusted EBITDA ended 12/31/19, as reported
3) TTM ended 12/31/19 net debt & EBITDA, as reported, plus \$825 million equity consideration

- Acquisition debt-funding at Novelis in place
 - \$775 million 5-year term loan at LIBOR + 1.75%
 - \$1,100 million 1-year bridge loan at LIBOR +0.95%

Approximate Sources and Uses

\$ billions

Uses		Sources	
Equity ¹	0.8	Bridge loan	1.1
Estimated net debt	2.0	Secured term loan	0.8
Total Uses	~\$2.8	ABL and cash ²	0.9
		Total Sources	~\$2.8

- Strong liquidity position to provide financial flexibility
 - Novelis standalone total liquidity on December 31, 2019 at ~\$1.9 billion
 - Additional liquidity from proceeds of \$400 million from January 2020 senior notes issuance

1) Includes \$50 million earn-out payment based upon Aleris meeting specified commercial margin targets outlined in the Merger Agreement

2) Cash includes \$400 million proceeds from Novelis senior notes issued in January 2020

STRONG REPORTED STANDALONE RESULTS

- Trailing twelve months ending 12/31/19 as reported for legacy Novelis & Aleris

	Novelis	Aleris
FRP Shipments (kilotonnes)	3,332	858
Revenue (\$ millions)	11,575	3,376
Adjusted EBITDA (\$ millions)	1,446	388
Adjusted EBITDA/ton (\$)	434	452
Net Debt (\$ millions)	3,394	1,900
Net Debt/Adjusted EBITDA	2.3x	4.9x

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NOVELIS CAPABILITIES, POST ACQUISITION

Novelis will operate under Four Value Streams

- Can
- Automotive
- Aerospace
- Specialties, including applications for:
 - Building & Construction
 - HVAC
 - Transportation
 - Signage & Printing
 - Electronics & Energy
 - Consumer Packaging



**~15,000
Employees**



**9
Countries**



**33
Manufacturing
Locations**

Employees, countries and locations do not include pending divestments

Beverage Can

Automotive

Aerospace

Specialties

Supplying notable customers across premium end markets



Leader in flat rolled aluminum products & recycling across four continents

COMMITTED TO RUN-RATE COST SYNERGIES

	Description	%; Time to Achieve	
<p>Transformational Synergies</p>	<ul style="list-style-type: none"> • Acquisition fully integrates our existing Asia auto business • Gain SHFE access for ~200kt of auto cold coils produced at Zhenjiang • Closed loop scrap benefit in Asia • \$250M-\$300M investment after close 	<p>45-50%; 3-5 years</p>	<p><i>~\$150M of identified run-rate synergies</i></p>
<p>Combination Synergies</p>	<ul style="list-style-type: none"> • Metal and non-metal procurement • Supply chain optimization and other operational efficiencies • SG&A savings • IT infrastructure savings 	<p>50-55%; within 3 years</p>	

Plan in place to execute on identified synergies

CLOSING REMARKS & NEXT STEPS

- Integration of Aleris into Novelis to commence immediately, excluding Lewisport and Duffel
- Continue working with Liberty House to close Duffel transaction, subject to China approval
- Continue working with the U.S. Department of Justice to define timeline and terms for divestment of Lewisport

APPENDIX

33 MANUFACTURING LOCATIONS IN 9 COUNTRIES



Europe

Küsnacht, Switzerland
Novelis Europe Regional HQ

11 locations

- Bresso, Italy
- Crick, United Kingdom
- Göttingen, Germany
- Latchford, United Kingdom
- Nachterstedt, Germany
- Neuss, Germany
- Alunorf Joint Venture*
- Ohle, Germany
- Pieve, Italy
- Sierre, Switzerland

Acquired Aleris locations

- Koblenz, Germany
- Voerde, Germany

Not included in count:

- Duffel, Belgium (Aleris)

Will be divested

- Ludenscheid, Germany (Novelis)

Ceased operations March 2020

North America

Atlanta, Georgia
Novelis Global Headquarters
and North America Regional HQ

16 locations

- Berea, Kentucky
- Fairmont, West Virginia
- Greensboro, Georgia
- Kingston, Ontario, Canada
- Russellville, Kentucky
- Logan Aluminum Joint Venture*
- Oswego, New York
- Terre Haute, Indiana
- Warren, Ohio

Acquired Aleris locations

- Ashville, Ohio
- Beachwood, Ohio
- Buckhannon, West Virginia
- Clayton, New Jersey
- Davenport, Iowa
- Lincolnshire, Illinois
- Richmond, Virginia
- Uhrichsville, Ohio

Not included in count:

- Lewisport, Kentucky (Aleris)
- Will be divested*
- Guthrie, Kentucky (Novelis)
- Operational early FY21*

Asia

Seoul, South Korea
Novelis Asia Regional HQ

4 locations

- Changzhou, China
- Ulsan, South Korea
- Ulsan Aluminum Joint Venture*
- Yeongju, South Korea

Acquired Aleris locations

- Zhenjiang, China

South America

São Paulo, Brazil
Novelis South America
Regional HQ

2 locations

- Pindamonhangaba (Pinda), Brazil
- Santo André, Brazil

<u>Country List</u>
• Brazil
• Canada
• China
• Germany
• Italy
• South Korea
• Switzerland
• United Kingdom
• United States