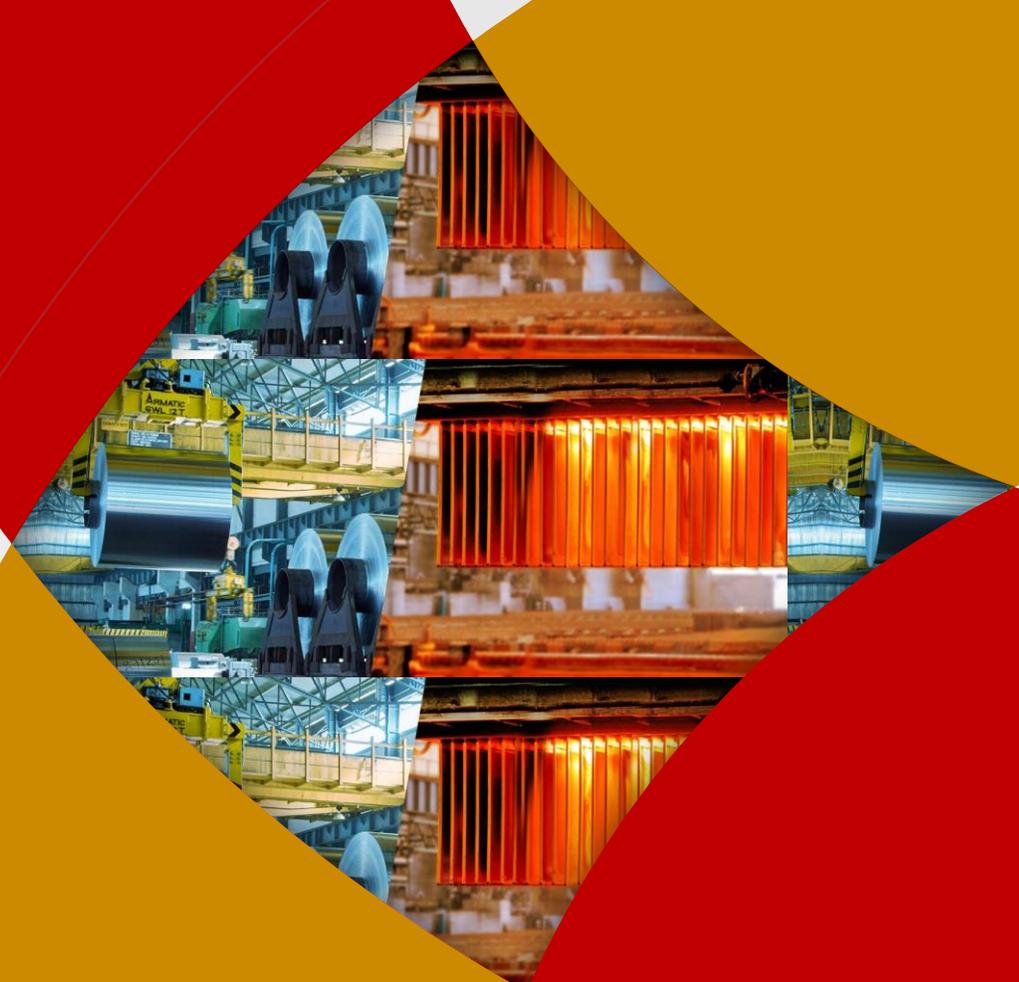


ADITYA BIRLA



HINDALCO

Hindalco Industries Limited



Q3 FY22 Earnings Presentation

10th February, 2022

SAFE HARBOUR

Certain statements in this report may be “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company’s operations include global and Indian demand supply conditions, finished goods prices, feed stock availability and prices, cyclical demand and pricing in the company’s principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the company conducts business and other factors such as litigation and labour negotiations. The company assume no responsibility to publicly amend, modify or revise any forward looking statement, on the basis of any subsequent development, information or events, or otherwise.



Table of Content

1. Sustainability Updates

2. Key Highlights – Q3 FY22

3. Economy & Industry Updates – Global & Domestic

4. Business Performance : Operational & Financial – Q3 FY22

- Novelis
- Aluminium (India)
- Copper
- Consolidated

5. Annexures :

- Consolidated - Key Financials
- Hindalco (India) Business - Key Financials
- Alumina Production Trend

• **Novelis**

• **Aluminium
(India)**

• **Copper**

ADITYA BIRLA



HINDALCO

Sustainability Updates

Hindalco : Focus on Conservation: Waste, Water, Biodiversity

Environment

Waste Recycling

- **81%** of total wastes recycled and reused in YTD-FY22
- **95%** of Bauxite Residue from three refineries is re-used in Cement making
- Utkal refinery is conducting pilot projects for mines backfilling using 2 pilot pits spanning 50x50m; **Pilot pit-one 1 is ready and pit-2 is under construction**
- **Applied to IRC (Indian Road Congress) for accreditation of bauxite residue as a replacement** of natural material for road subgrade and embankment construction
- **105%** of Fly Ash from Power Plants and storages re-used in YTD-FY22

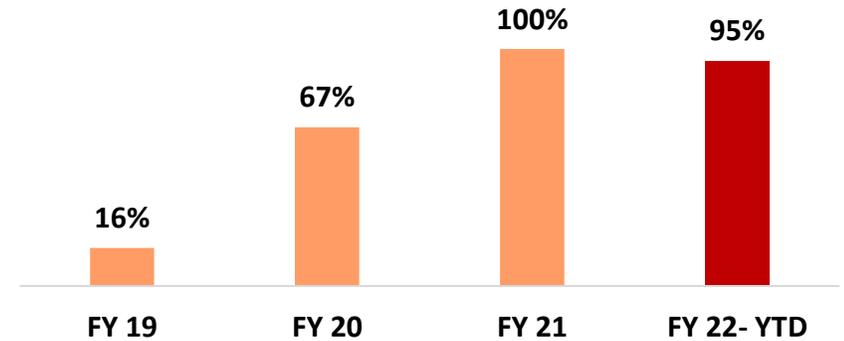
Zero Liquid Discharge (ZLD) & Water Management

- Taloja ETP project with **Emulsion cracking** unit and **Electrocoagulation** technology shall be completed in Q4-FY22 while progressing strongly towards ZLD at all sites by 2025
- New STPs are commissioned at Taloja and Alupuram
- Mouda's 1,10,000 KL pond storage is being utilized for collecting rainwater and reducing the reliance on river water
- Recharge assessment carried out for rainwater harvesting structures built through CSR by Renukoot with Ground water recharge of 1,38,104 cum PA.

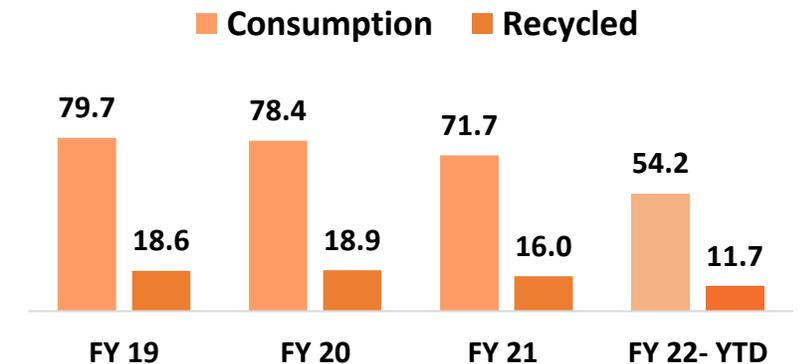
Greenbelt and Biodiversity

- Biodiversity Management Plan (BMP) **completed for 2 plants & 2 mine sites;** under preparation for 4 mine sites.
- Developed a cumulative greenbelt of **4,980 acres at the end of December 2021**, an increase of **~308 acres** over last financial year.
- Developed a **sustainable mining charter** alongside with Xynteo with site wise KPIs and targets for implementation under seven thematic areas

Total Bauxite Residue (% Recycled from 3/4 Refineries)



Water Consumed & Recycled (million m3)



Hindalco : Focus on Renewables & Safety

Renewable Energy

Total Target : 200 MW by FY25

Renewables (100 MW in FY22)

- Completed installation of on-site Solar projects at Renukoot, Renusagar, Mahan, Mouda and an off-site project for Taloja facilities totalling to 50 MW in Q3FY22
- With the above, Hindalco has reached its 100 MW target of Renewables installed capacity for FY22

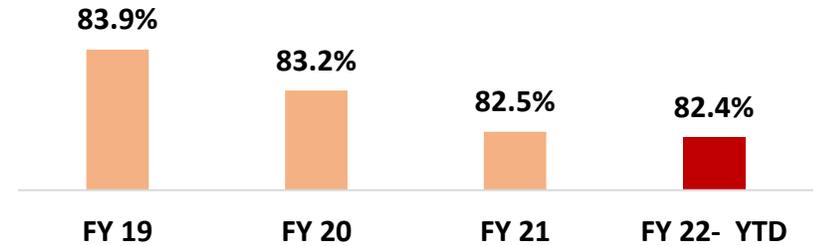
Renewables : Projects under implementation/finalisation - ~69MW

- 4 MW Biomass based power plus process steam for Belagavi
- 5 MW off-site wind project for Taloja
- 20 MW Renewable Hybrid for Dahej
- 25 MW of total floating solar projects at Aditya & Mahan
- 5 MW Solar with storage for Mouda
- 10 MW total solar project at three mines

Workforce Health & Safety

- **Serious Injury & Facilities (SIF) prevention programme:** 908 situations having “Serious Injury” risk identified; action plan for mitigation of 884 prepared and under implementation.
- **New Contractor Safety Management Program implementation status:** SAQ (Self Assessment Questionnaire) score not less than 90% at each unit to take it to 100% in FY22.
- **In “Line of Fire” work situations:** 2643 situation identified and control measures for more than 90% situation.
- **Corporate / Cross Entity Safety Audit:** 86 additional SIF situation identified.

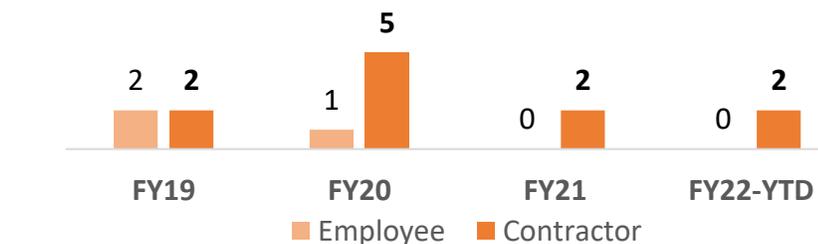
Aluminium Sp. Energy (%) (Indexed to FY12 Base)

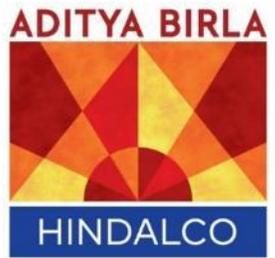


Loss Time Injury Frequency Rate (LTIFR)



Fatality (in Nos)





Business Performance Key Highlights - Q3 FY22

Key Highlights : Q3 FY22

Novelis*

- **Shipments were flat YoY, at 930Kt vs 933Kt in Q3FY21**, impacted by ongoing semiconductor chip shortage, unplanned downtime, and supply chain bottlenecks
- **Adjusted EBITDA at \$506 million (\$501 million), up 1% YoY ; Adjusted EBITDA per ton at \$544 (\$537/t) up 1% YoY**
- **Net Income from continuing operations at \$259 million (vs \$195 million in Q3 FY21) up 33%, YoY**
- **Novelis to invest \$365 million to build a highly advanced recycling center** with recycling and casting capacity of 240 Ktpa in Guthrie, Kentucky

Aluminium (India)

- **Record quarterly EBITDA at ₹3,376 crore (₹1,461 crore) up 131%, YoY** on account of favorable macros, higher volumes, better operational efficiencies and improved performance of downstream business
- **EBITDA margin of 41% (28%)** continues to be one of the best in the industry
- **Aluminium Metal sales at 325Kt (315Kt), up 3% YoY** in line with the market recovery
- **Aluminium VAP (excluding wire rods) sales at 86Kt (80kt) up 8% YoY**, on account of recovery in the domestic demand
- **Acquired Hydro's high-end extrusions facility** with capacity of 15Kt at Kuppam, Andhra Pradesh
- Production at Utkal Alumina refinery ramped to its full expanded capacity
- **Successfully renewed 5.35 MTPA of coal linkages** with Coal India Ltd, ensuring company's resource security

Note :

Numbers in parenthesis() represent Q3 FY21 unless specified

*as per the US GAAP

Copper

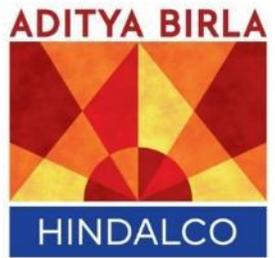
- All smelters ran optimally, delivering a consistent performance in quarter three
- Cathode production was at 102Kt (51Kt) up 99% YoY ; CC Rods production was 77Kt (67Kt) up 15% YoY
- **Metal sales volume at 110Kt (73Kt) up 50% YoY; CC Rods sales at 71kt (65Kt), up 9% YoY** with the market demand
- **EBITDA at ₹390 crore (₹240 crore) up 63% YoY**, on the back of higher volumes, better operational efficiencies and improved by-product realizations.

Consolidated

- Record quarterly financial performance supported by improved macros, thrust on operational efficiencies and improved performance of downstream businesses
- **Quarterly EBITDA at ₹7,624 crore (₹5,521 crore), up 38% YoY**
- **Record Quarterly PAT from continuing operations at ₹3,660 crore (vs ₹2,021crore) up 81% YoY**
- Strong Treasury Balance of \$808 million in Novelis and ₹15,870 crore in Hindalco India at the end of December 2021
- **Net Debt to EBITDA has significantly improved to 1.62x as at December 31, 2021 (vs 2.59x as at March 31, 2021)**

Awards & Recognitions

- **Hindalco retains position as the world's most sustainable aluminium company in the DJSI 2021 ranking**
 - The only aluminium company in the prestigious DJSI World Index 2021
- **Hindalco achieved 'S&P Global Sustainability Yearbook 2022 - Gold Class' distinction**
- **Hindalco has been named 'Sustainable Corporate of the Year Award - 1st Runner up' by Frost & Sullivan and TERI Sustainability 4.0 Awards 2021**
- **Hindalco has been certified a Great Place to Work™ by the Great Place to Work™ Institute, India**

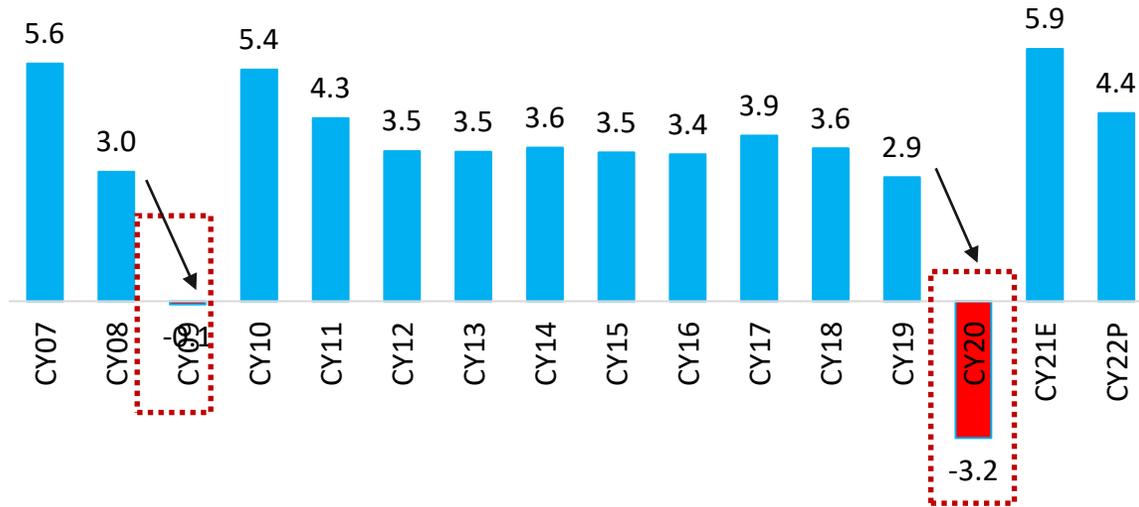


Economy & Industry Updates

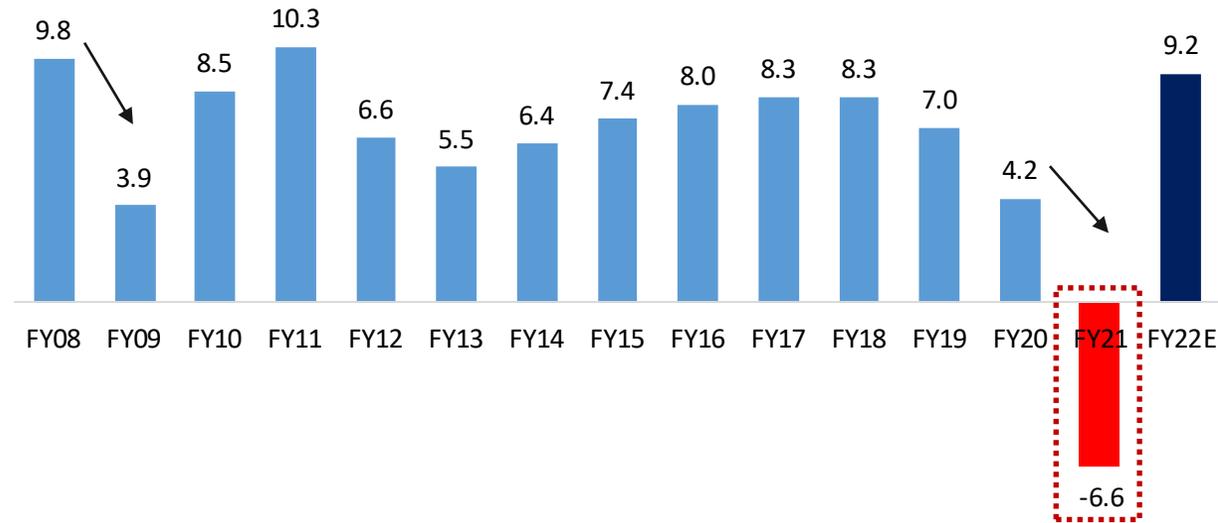
Global & Domestic

Economy Updates

Global GDP Growth (% YoY)



India GDP Growth (% YoY)

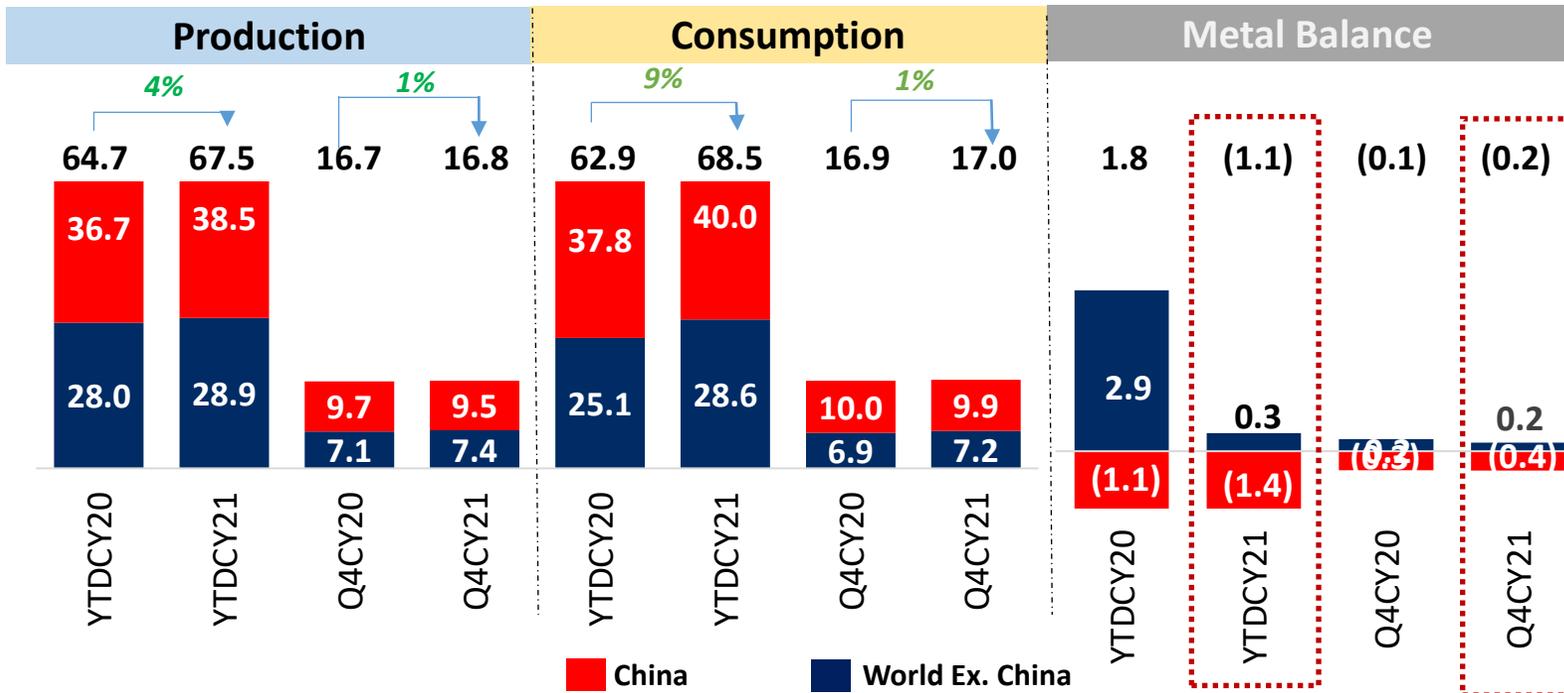


- Global economic growth is expected to expand 4.4% YoY in CY22 after a post pandemic rebound to 5.9% in CY21 (IMF, Jan 2022)
- Impact of Omicron on economic activity limited compared to Delta variant
- However elevated global inflation scenario may persist longer as the current supply chain disruption gets prolonged due to Omicron variant
- Tighter monetary policy to curb inflationary pressures going forward
- Monetary and fiscal policy normalization, slow pace of recovery in China and geopolitical tensions are some downside risks.

- India's economic activity is gaining pace as high frequency indicators (PMI, GST, e-way bills etc) bounce back to pre-pandemic levels in Q3FY22
- Despite headwinds from Omicron variant and slight moderation in aggregate demand post festive season, business & consumer confidence remains intact
- Gol's economic survey estimates India's GDP in FY22 at 9.2% and FY23 GDP growth in the range of 8-8.5%
- Union Budget's public capex and infrastructure push expected to kickstart private investment cycle and support sustained growth

Global Aluminium Industry

Global Demand & Supply Balance (Million Tons)



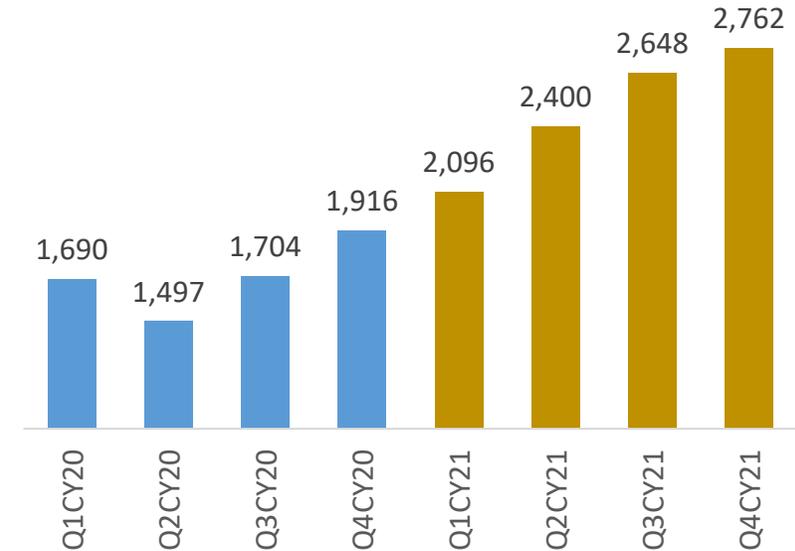
YTD CY21 (vs YTD CY20)

- Global production grew by 4%, consumption increased by 9%, leading to deficit of 1.1 Mt
 - China: Production increased by 5%, consumption grew by 6%, resulting in deficit of 1.4 Mt
 - World Ex-China: Production was up by 3%, consumption rebounded by 14%, causing surplus of 0.3 Mt

Q4 CY21 (vs Q4 CY20)

- Global production expanded by 1%, consumption grew by 1%, leading to overall deficit of 0.2 Mt
 - China: Production fell by 2%, while consumption de-grew by 1%, resulting in a deficit of 0.4 Mt
 - World Ex-China: Production grew by 4%, consumption improved by 5%, leading to deficit of 0.2 Mt

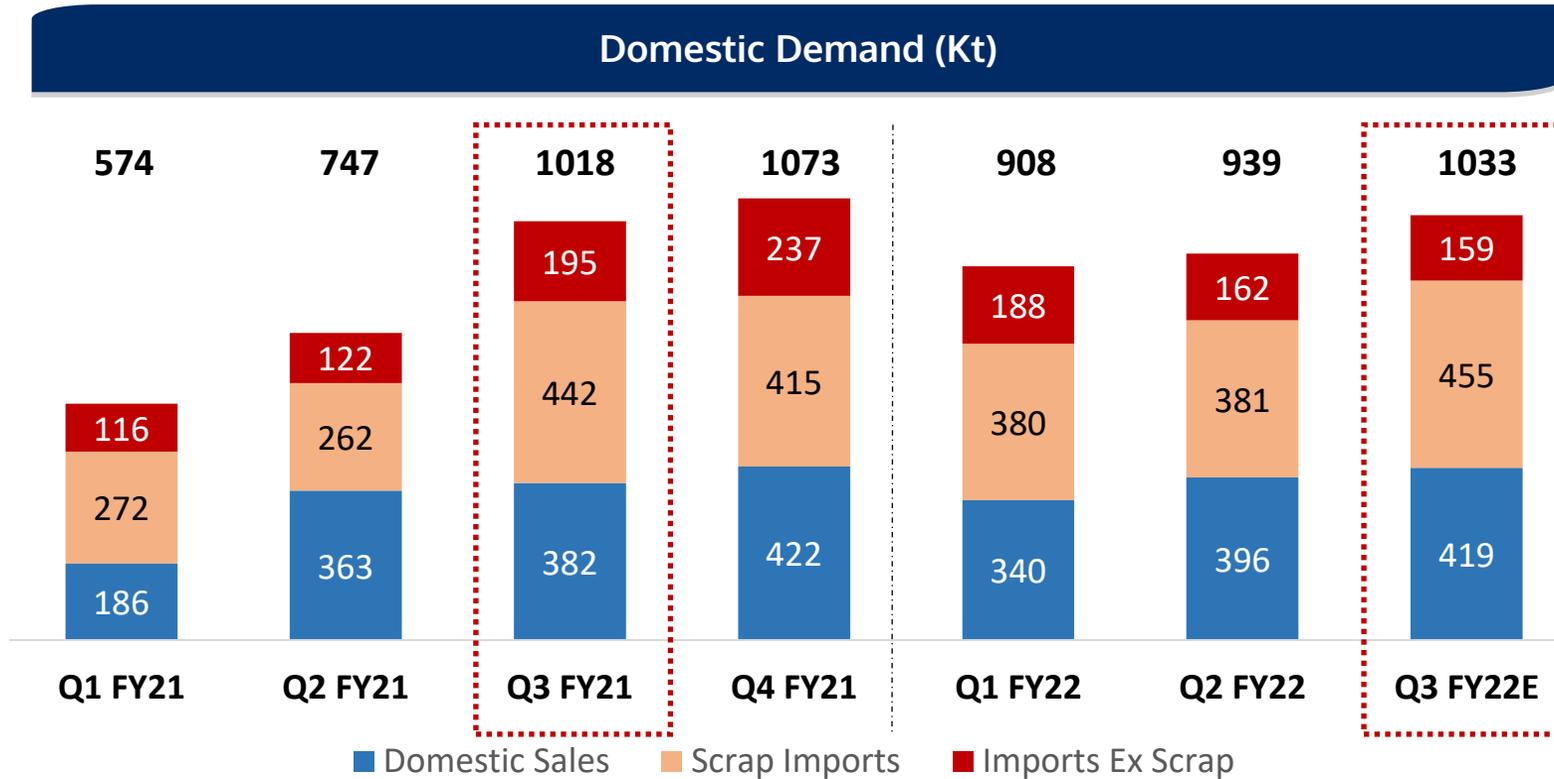
Global Price of Aluminium (Cash -\$/Ton)



Global aluminium prices continued to improve

- Q4 CY21 prices improved to \$2,762/ton up from \$2,648/ton in Q3 CY21.
- Global aluminium prices in QTD (Q1CY22) is \$2980/ton

Domestic Aluminium Industry



- In Q3 FY22, the domestic demand is likely to reach 1033 Kt (1% growth YoY), whereas sequentially this demand is expected to grow by 10%.
- This sequential growth in the domestic market is led by improved demand from the sectors like Packaging, Electrical, Building & Construction, Consumer Durables, Industrial Machinery. However, automotive demand remains soft due to semiconductor shortage.

Aluminium Flat Rolled Products (FRP) Industry

- The global FRP Demand is estimated to grow by ~6% in CY22 (vs CY21 growth of ~10%).

Beverage Cans

~5%

CY22E Growth in Market Demand

- Customer demand continue to rise across all the regions
- Increasing demand of cans is driven by increasing share of Cans as the sustainable packaging option for beverages
- Significant Can maker capacity expansions announced next 2-3 years across all regions

Automotive

~20%

CY22E Growth in Market Demand

- Short-term uncertainty created by semi-conductor shortage into CY2022
- Strong underlying demand driven by new program adoption and increased consumer preference for SUVs, pick-up trucks, electric and premium vehicles

Specialities

~4%

CY22E Growth in Market Demand

- Favorable housing fundamentals in the US and Europe driving strong B&C demand
- Strong demand across markets, including electronics, container and painted products

Aerospace

~30%

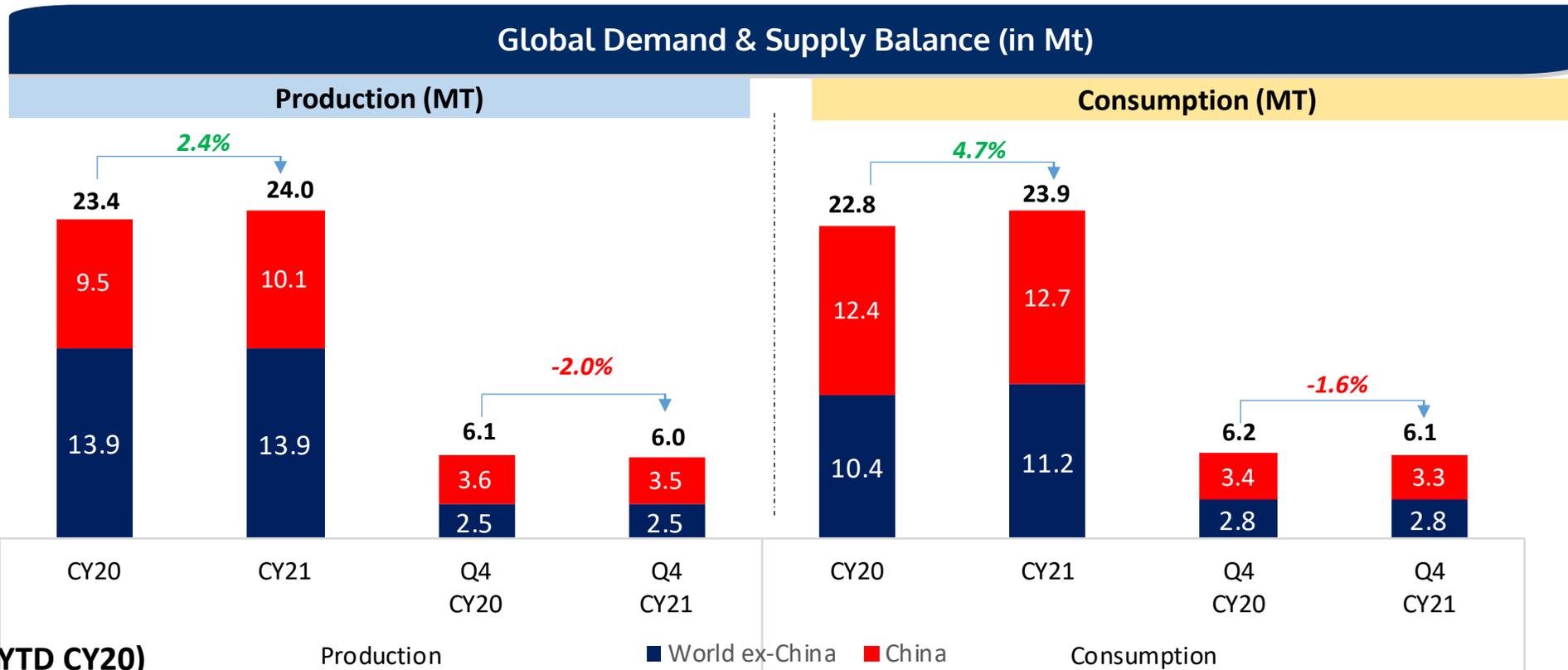
CY22E Growth in Market Demand

- Consumer air travel remains restricted in CY2022
- Order bookings improving but recovery could be prolonged and uneven

In Q3FY22, India FRP Demand is estimated to grow 9% YoY. Sequentially, the demand grew by 17% QoQ due to seasonal impact

- Demand remains strong in packaging, consumer durables. B&C demand improved due to Government projects. However, auto sector faced some headwinds.
- Demand is likely to grow in Q4 FY22 due to strong demand in packaging, Consumer durables, and B&C demand.

Copper Industry (Global)



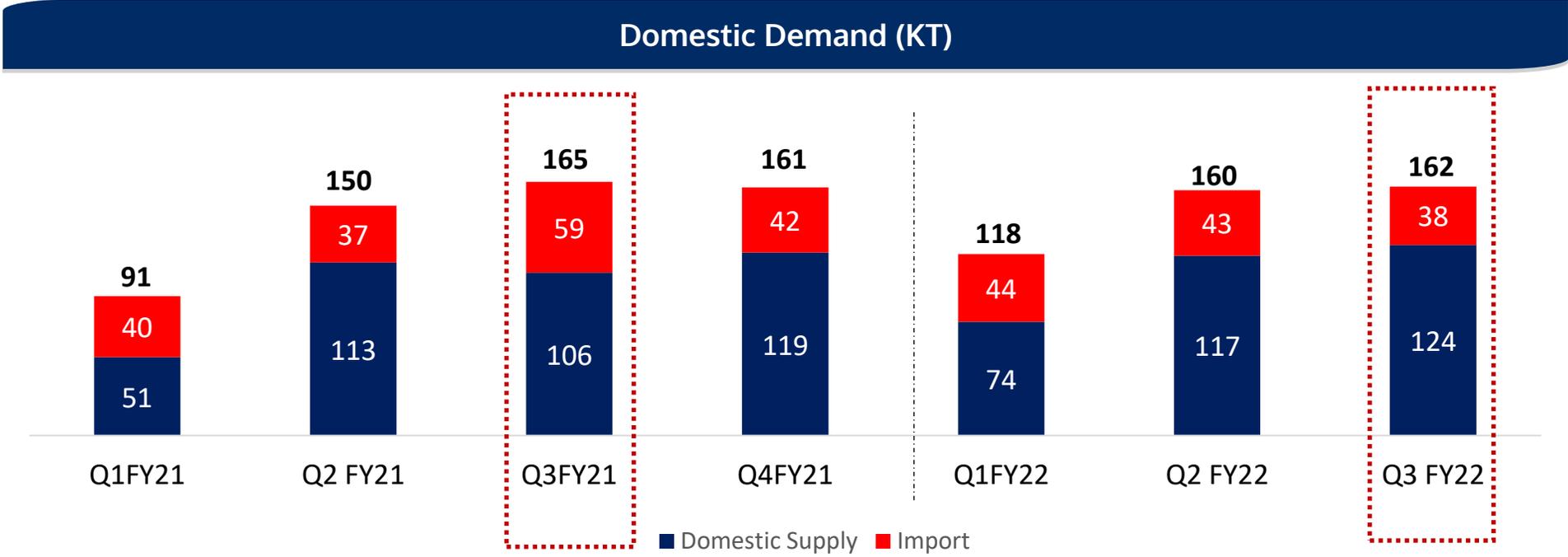
YTD CY21 (vs YTD CY20)

- **Global copper production grew by 2.4% and Consumption grew by 4.7% YoY**
 - China production grew by ~6.3% and consumption grew by ~2.5% YoY
 - World Ex China production declined by ~0.2% YoY, where as consumption grew by ~7.3% YoY

Q4 CY21 (vs Q4 CY20)

- **Global copper production declined by 2% and consumption declined by 1.6% YoY**
 - China production declined by 2.8% YoY while consumption declined by 2.9%, YoY
 - World Ex China Production and consumption both were flat on a YoY basis

Copper Industry (Domestic)

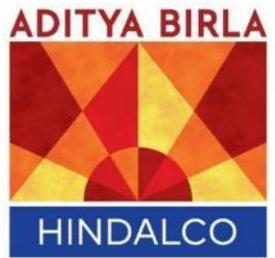


- Market demand declined by ~2% YoY at 162 KT in Q3 FY22 vs Q3 FY21; Imports have declined by 36% YoY
- On a QoQ basis, market demand was flat in Q3 FY22 while Imports declined by 12%

Key Macro Drivers (Q3 FY22 vs Q3 FY21)

TC/RC

S. Acid Price



Business Performance : Q3 FY22

ADITYA BIRLA

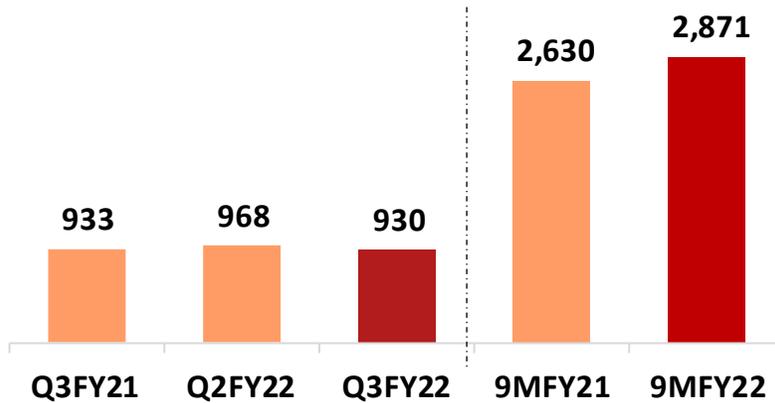


HINDALCO

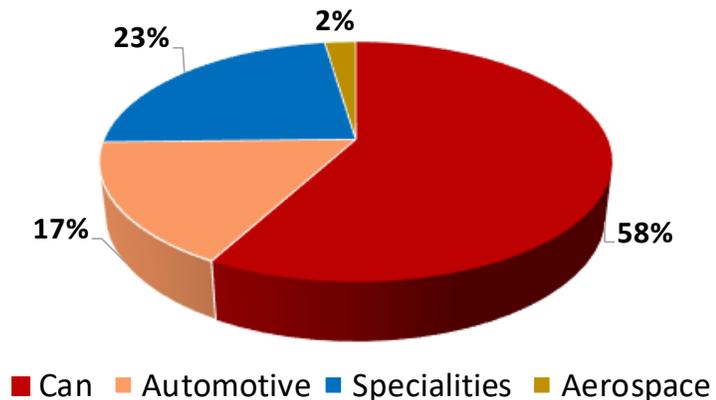
Novelis

Operational Performance – Novelis

Overall Shipments (KT)



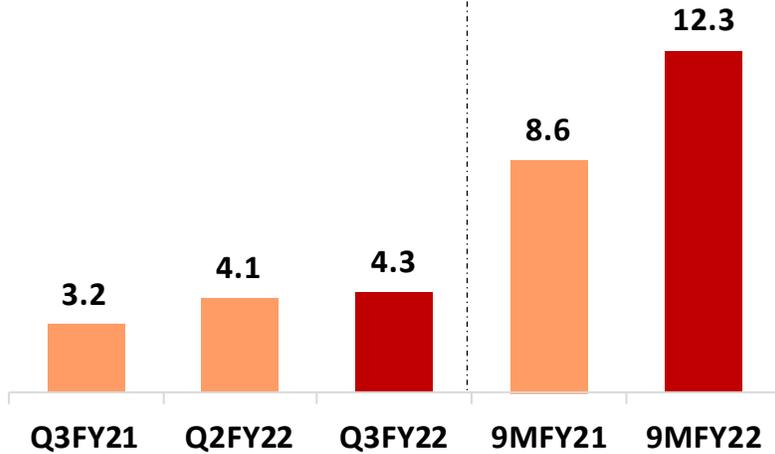
9M FY22 - Shipments Mix (%)



- Shipments in Q3FY22 were flat, YoY at 930 Kt in a seasonally low third quarter
 - Q3 FY22 reflected higher aerospace and automotive shipments, despite semiconductor constraints, offset by lower Can shipments impacted mainly by unplanned production downtime in South America and supply chain bottlenecks in Asia
 - Automotive demand continue to be impacted by the semiconductor chip shortage
- Announced strategic growth capital projects totaling approximately \$870 million to commence in this calendar year and begin commissioning in 2024 :
 - \$375 million investment to expand its rolling and recycling capabilities in Zhenjiang, China
 - \$130 million investment at its Oswego, New York, plant to debottleneck and increase hot mill rolling capacity and enhance automotive sheet finishing capabilities.
 - \$365 million, highly-advanced recycling center with an annual recycling and sheet ingot casting capacity of 240 Kt in Guthrie, Kentucky in North America
- Aleris Integration updates:
 - Integration work continues with run-rate combination cost synergies in excess of \$100 million achieved in Q3-FY22 (Total Potential to exceed \$120 million)
 - Expansion project in Zhenjiang, China which is part of the integration with Strategic synergies total potential of over \$100 million.

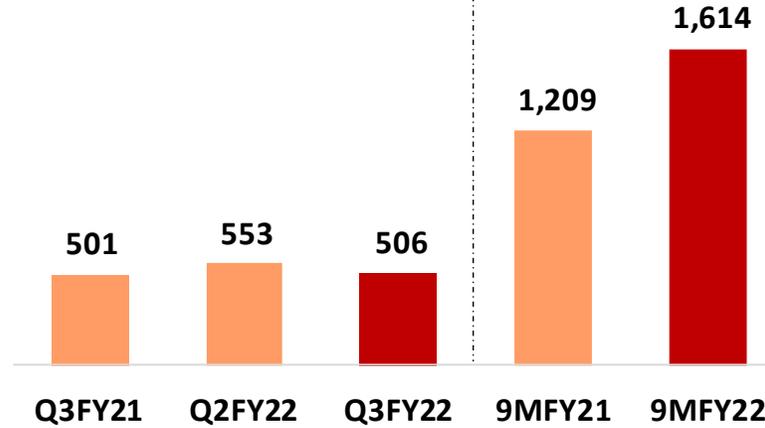
Financial Performance – Novelis

Revenue (\$ Billion)



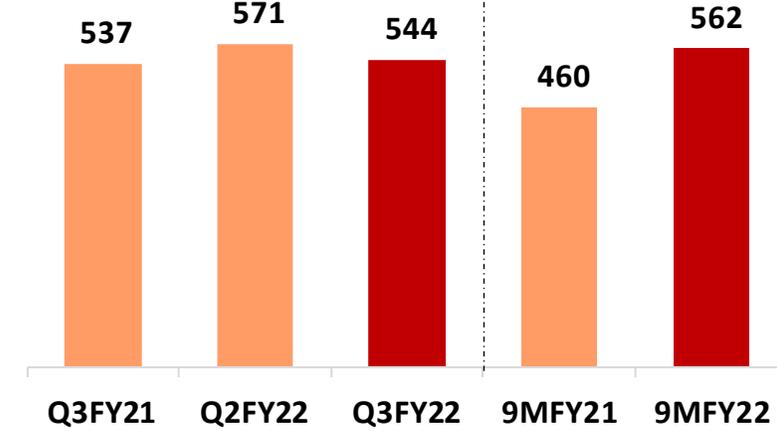
- Net sales in Q3 FY22 stands at \$4.3 billion up 33% YoY driven by higher average aluminum prices

Adjusted EBITDA (\$ Million)



- Adjusted EBITDA at \$506 million in Q3 FY22, up 1% YoY, on the back of better product pricing and mix, and favorable metal benefits, which helped mitigate the inflationary cost pressures and supply chain disruption-related costs

Adjusted EBITDA (\$/tonne)



- Adjusted EBITDA per ton at \$544/t in Q3 FY22, up 1% YoY.

Note: All above numbers are as per the US GAAP

ADITYA BIRLA

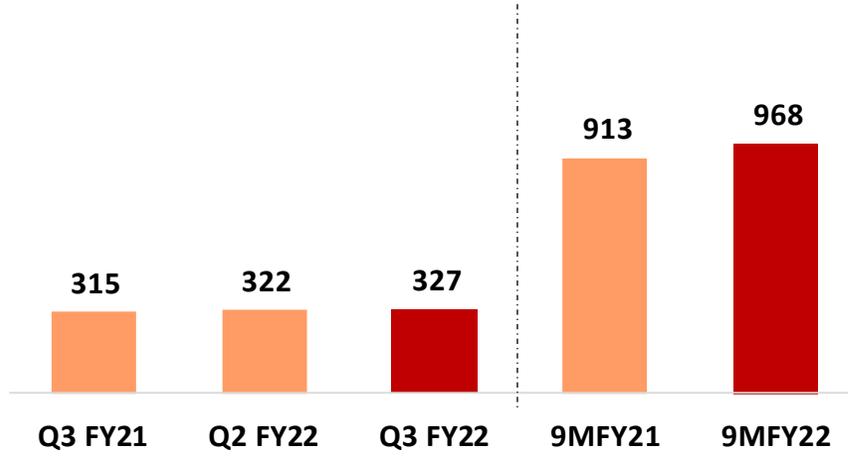


HINDALCO

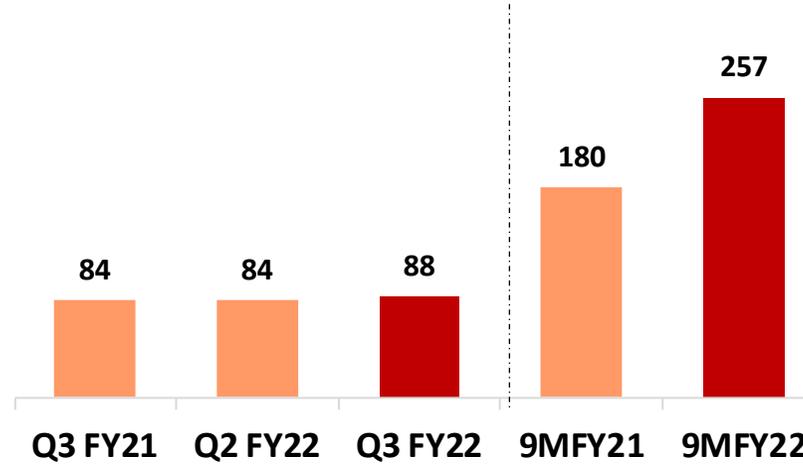
Aluminium (India)

Aluminium Metal & VAP - Production and Sales in Kt

Production : Aluminium Metal (Kt)

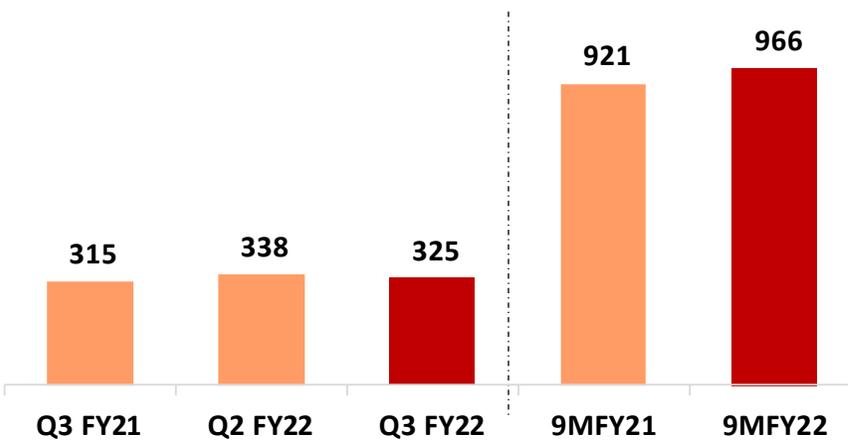


Production : Aluminium VAP (Kt)

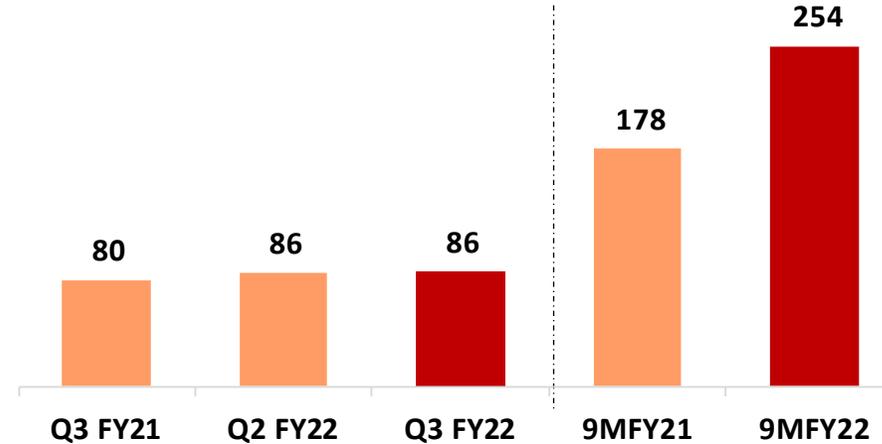


- Aluminium Metal Production up 4% YoY and 1% QoQ
- Aluminum VAP production in Q3 FY22 was higher by 4% YoY and sequentially
- Alumina production in Q3 FY22 was at 858 Kt up 27% YoY and 8% QoQ with ramp-up of Utkal Expansion

Sales: Aluminium Metal (Kt)



Sales: Aluminium VAP# (Kt)

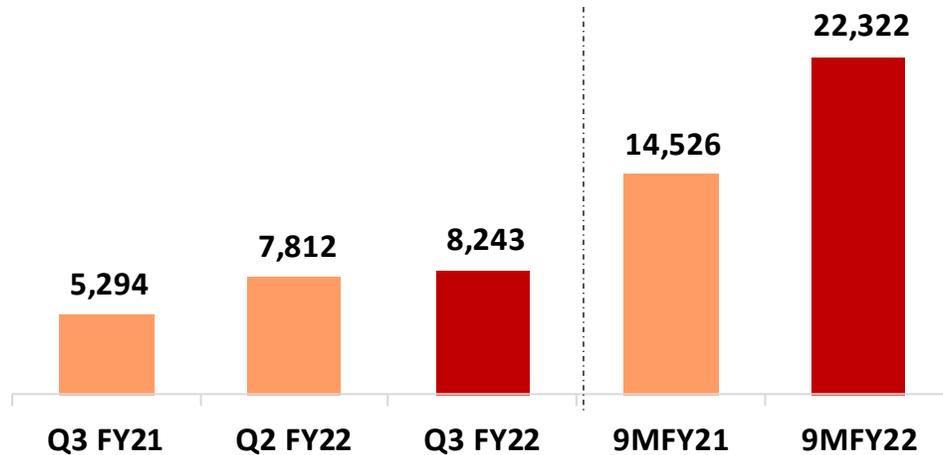


- VAP sales were 27% as a percentage to total metal sales in Q3 FY22 (vs 25% in Q3 FY21)

VAP includes Flat Rolled Products, Foils & Extrusions

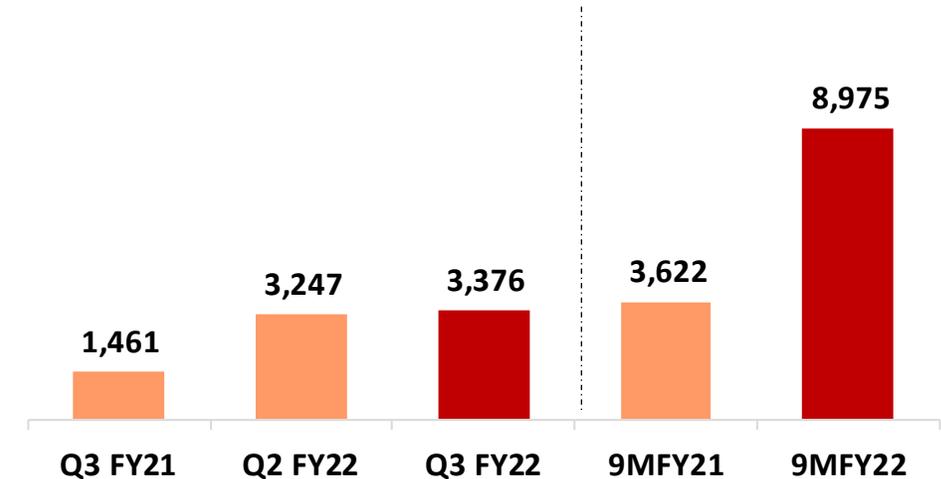
Financial Performance - Aluminium (India)

Revenue (₹ Crore)



- Aluminium revenues were up 56% YoY, with higher global prices of aluminium in Q3 FY22 vs Q3 FY21

EBITDA (₹ Crore)



- Record EBITDA at ₹3,376 crore, up 131% YoY in Q3 FY22 on account of favorable macros, better efficiencies and market recovery
- High EBITDA margin of 41%; continues to be one of the best in the industry

ADITYA BIRLA

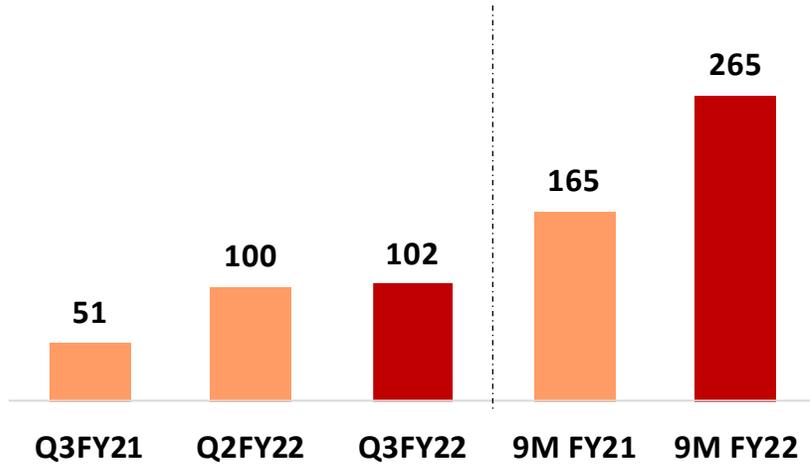


HINDALCO

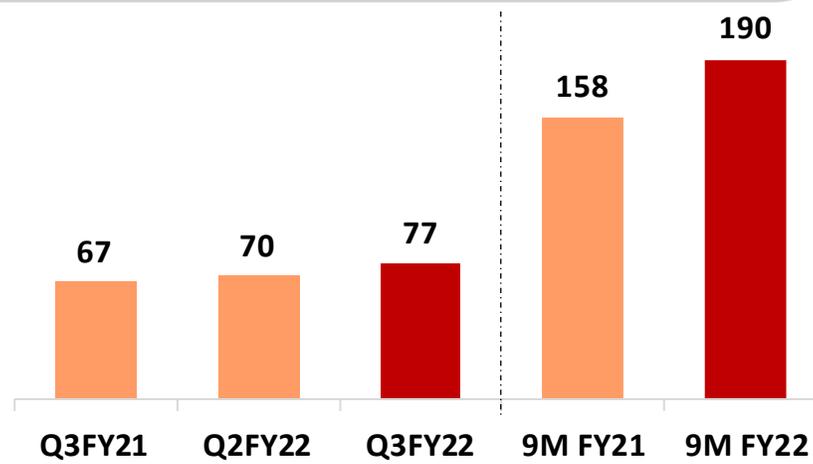
Copper

Copper Metal & VAP - Production and Sales in Kt

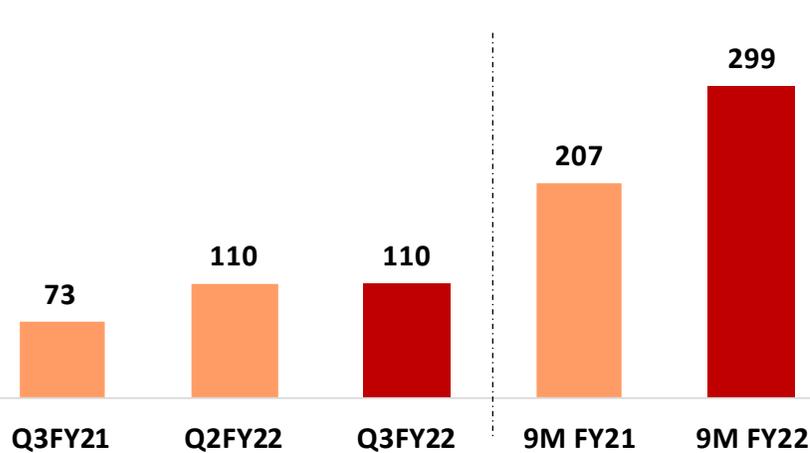
Production : Copper Cathode (Kt)



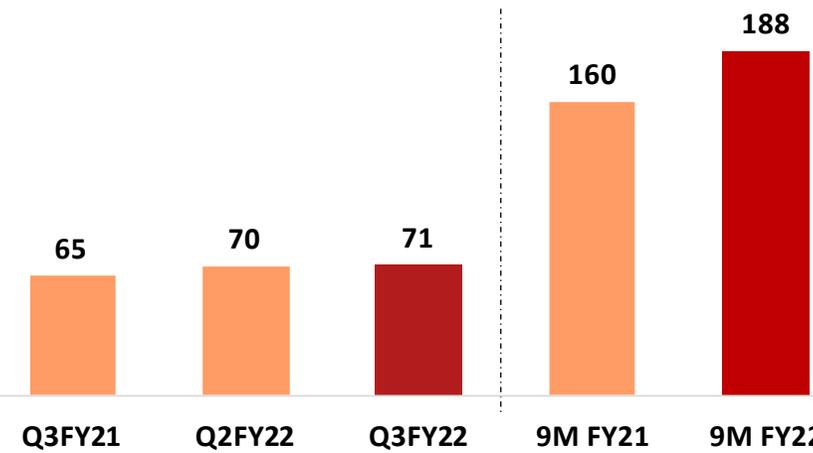
Production : CC Rod (Kt)



Sales : Copper Metal (Kt)



Sales : CC Rods (Kt)

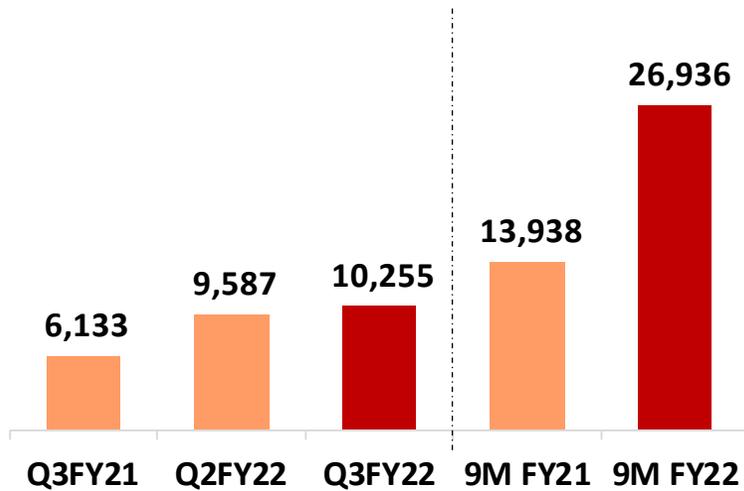


- Cathode Production was higher by 99% YoY in Q3 FY22 whereas Copper Rods Production was up 15% YoY

- Quarterly Metal sales in Q3 FY22 up 50% YoY
- CC Rod sales were up 9% YoY in Q3 FY22

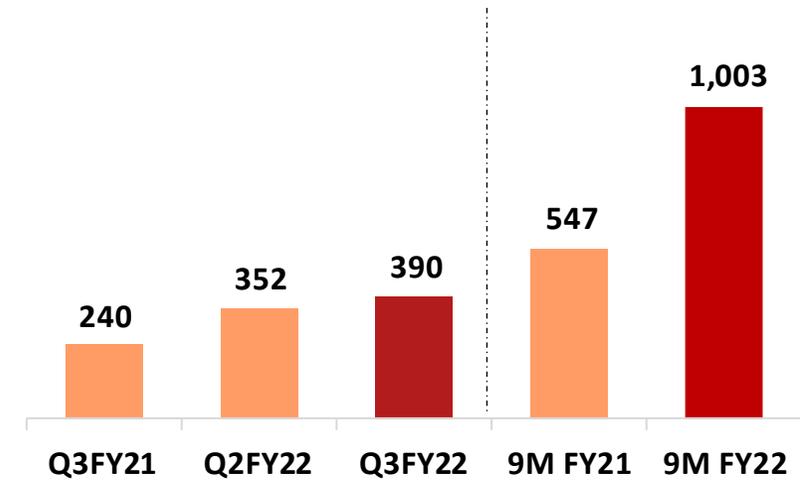
Financial Performance – Copper Business

Revenue (₹ Crore)



- Revenues were up by 67% YoY in Q3 FY22, on account of higher global prices of copper compared to the corresponding quarter of the last year

EBITDA (₹ Crore)



- EBITDA at ₹390 crore in Q3 FY22 compared to ₹240 crore in the corresponding quarter, up 63% YoY on the back of higher volumes, better operational efficiencies and improved by-product realizations.

ADITYA BIRLA

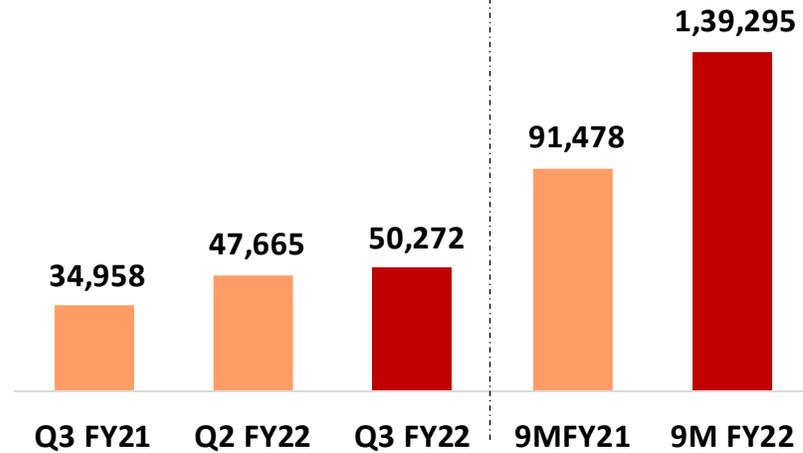


HINDALCO

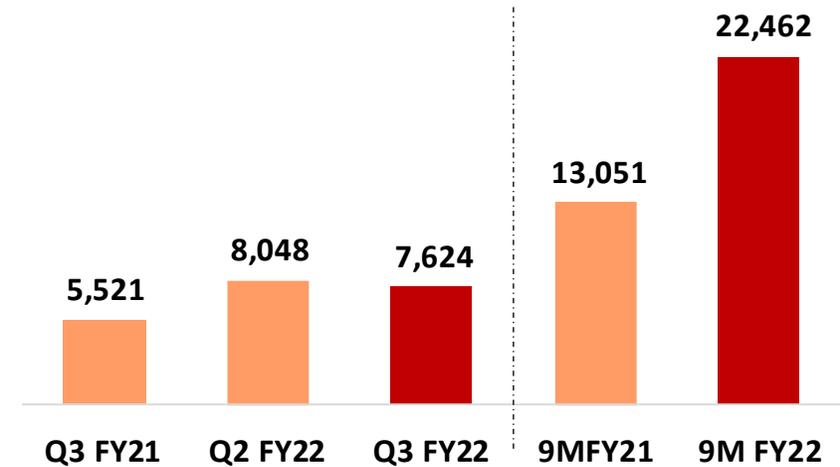
Consolidated Financial Performance

Consolidated Financial Performance

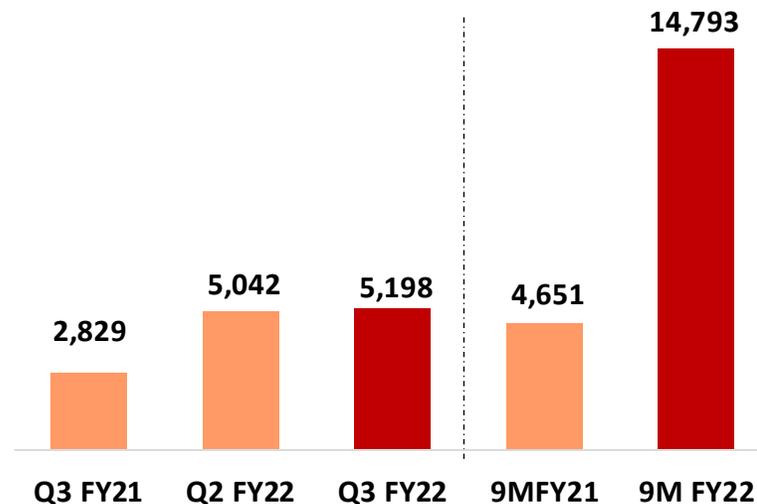
Revenue (₹ Crore)



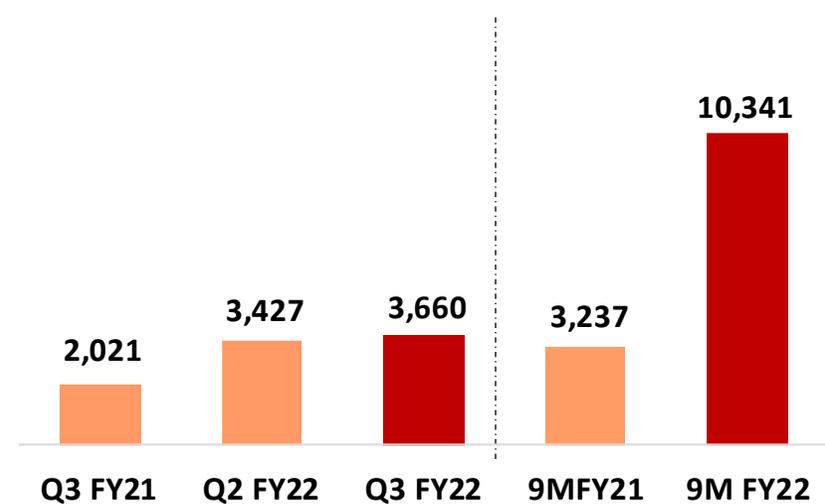
EBITDA (₹ Crore)



PBT after Exceptional Items (₹ Crore)



PAT for Continuing Operations (₹ Crore)

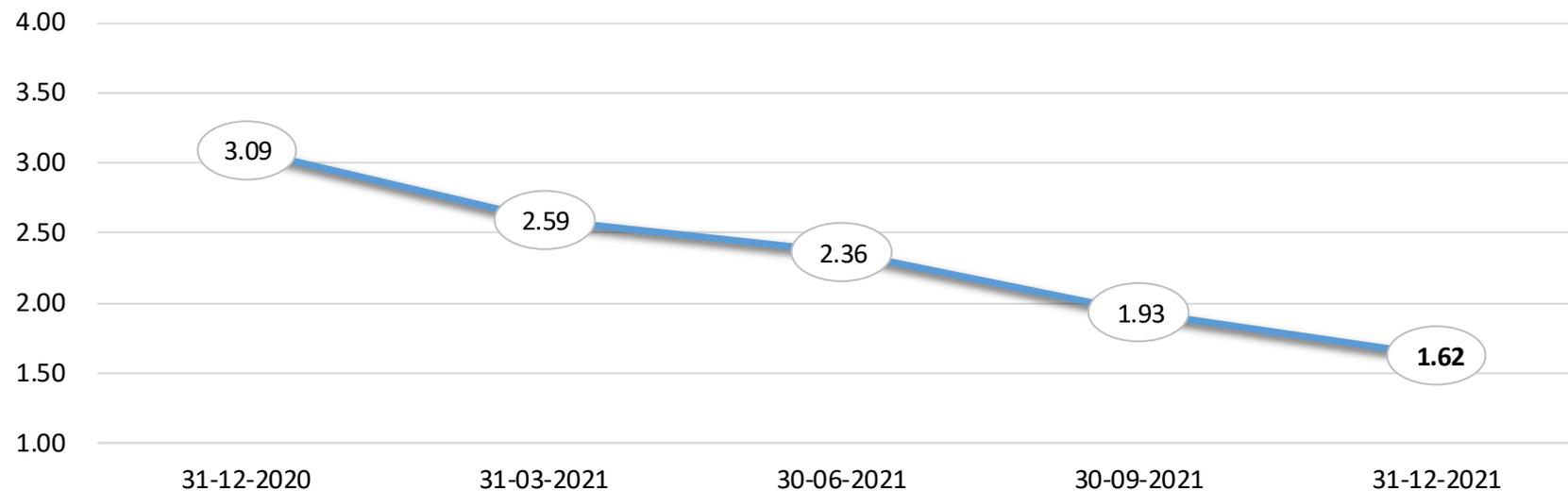


Consolidated (Debt Position)

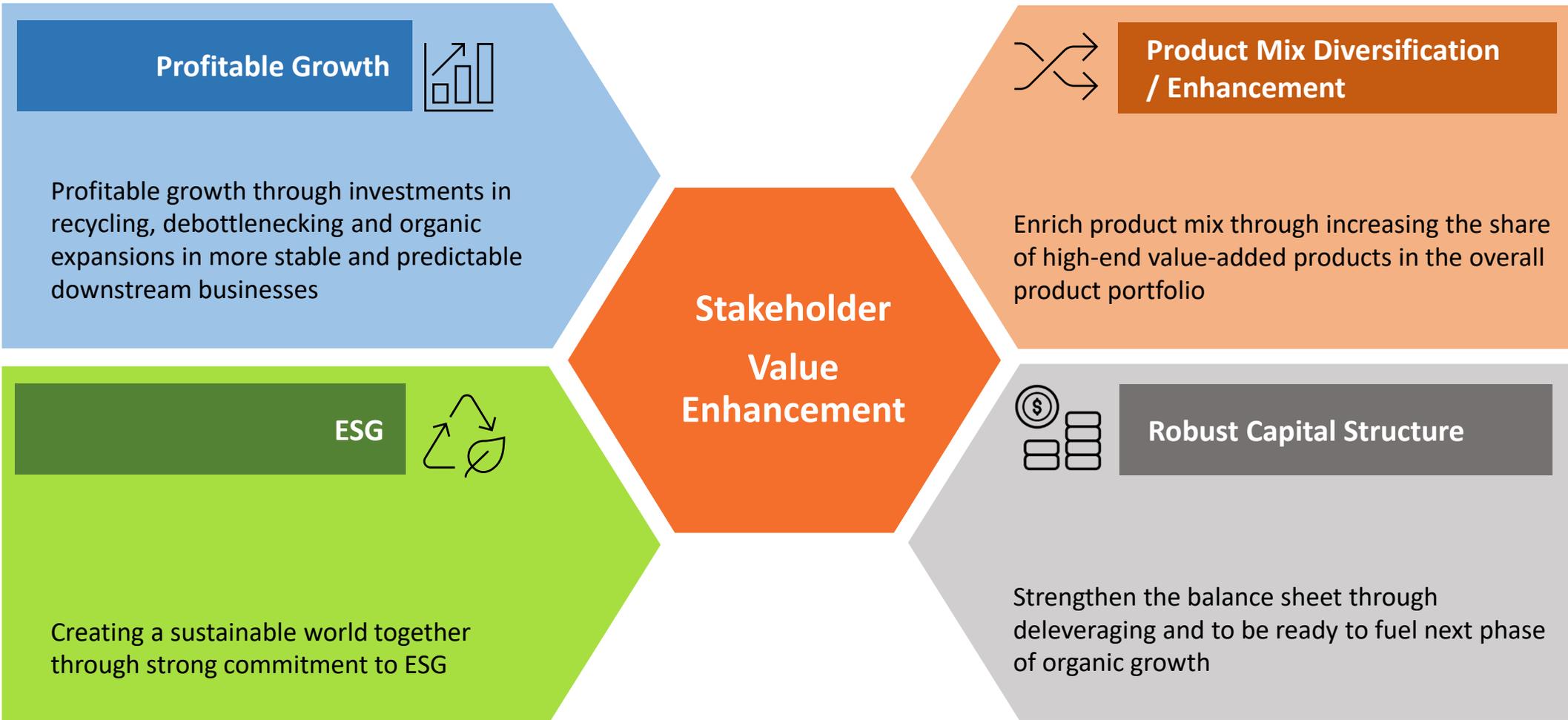
(₹ Crores)

Particulars	As on				
	31-Dec-20	31-Mar-21	30-Jun-21	30-Sep-21	31-Dec-21
Gross Debt	71,996	65,994	67,836	66,831	65,817
Cash & Cash Equivalents	18,194	18,575	15,923	18,820	22,084
Net Debt	53,802	47,419	51,913	48,011	43,733
TTM Adjusted EBITDA	17,409	18,293	21,997	24,865	26,931

Net Debt : EBITDA(x)



Key Focus Areas





Thank You

ADITYA BIRLA



HINDALCO

Annexures

Consolidated – Key Financials

Particulars (₹ Crore)	Q3 FY21	Q2 FY22	Q3 FY22	Change YoY %	QoQ Change %	9MFY21	9M FY22	Change YoY %
Revenue from Operations	34,958	47,665	50,272	44%	5%	91,478	1,39,295	52%
Earning Before Interest, Tax, Depreciation & Amortisation (EBITDA)								
<i>Novelis*</i>	3,711	4,100	3,792	2%	-8%	9,022	11,982	33%
<i>Aluminium</i>	1,461	3,247	3,376	131%	4%	3,622	8,975	148%
<i>Copper</i>	240	352	390	63%	11%	547	1,003	83%
<i>All Other Segments</i>	6	3	22			13	19	
Business Segment EBITDA	5,418	7,702	7,580	40%	-2%	13,204	21,979	66%
<i>Unallocable Income/ (Expense) - (Net) & GAAP Adjustments</i>	103	346	44	-57%	-87%	(153)	483	
EBITDA	5,521	8,048	7,624	38%	-5%	13,051	22,462	72%
Finance Costs	861	1,291	852	1%	34%	2,835	2,963	-5%
PBDT	4,660	6,757	6,772	45%	0%	10,216	19,499	91%
Depreciation & Amortisation (including impairment)	1,655	1,735	1,742	-5%	0%	5,044	5,126	-2%
Share in Profit/ (Loss) in Equity Accounted Investments (Net of Tax)	2	-	3			5	5	
Profit before Exceptional Items and Tax	3,007	5,022	5,033	67%	0%	5,177	14,378	178%
Exceptional Income/ (Expenses) (Net)#	(178)	20	165			(526)	415	
Profit Before Tax (After Exceptional Item)	2,829	5,042	5,198	84%	3%	4,651	14,793	218%
Tax	808	1,615	1,538			1,414	4,452	
Profit/ (Loss) from Continuing Operations	2,021	3,427	3,660	81%	7%	3,237	10,341	219%
<i>Profit/ (Loss) from Discontinued Operations</i>	<i>(144)</i>	<i>(10)</i>	<i>15</i>			<i>(1,682)</i>	<i>(462)</i>	
Profit/ (Loss) After Tax	1,877	3,417	3,675	96%	8%	1,555	9,879	
<i>EPS (₹/Share)</i>	<i>8.4</i>	<i>15.4</i>	<i>16.5</i>			<i>7.0</i>	<i>44.4</i>	

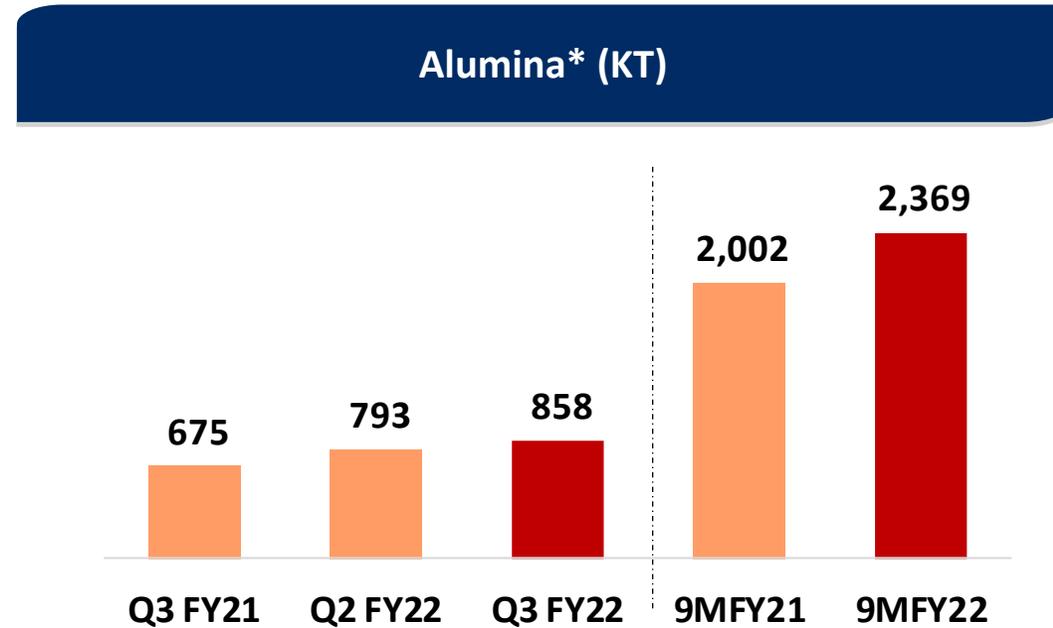
*As per US GAAP ; #Exceptional Income / (Expenses) for the quarter and nine months ended December 31, 2021, exclude ₹72 crore and ₹418 crore, respectively, which represents the principal portion of (a) PIS/COFINS related tax credit income in Brazil ₹12 crore for the Q3FY22 and ₹358 crore (net of litigation cost of ₹9 crore) for YTD FY22 and (b) tax rebates for sales to Manaus, Brazilian Free Trade Zone ₹60 crore for the Q3 and YTD FY22, as it is included in the results of Novelis segment.

Hindalco (India) Business – Key Financials

(₹ Crore)

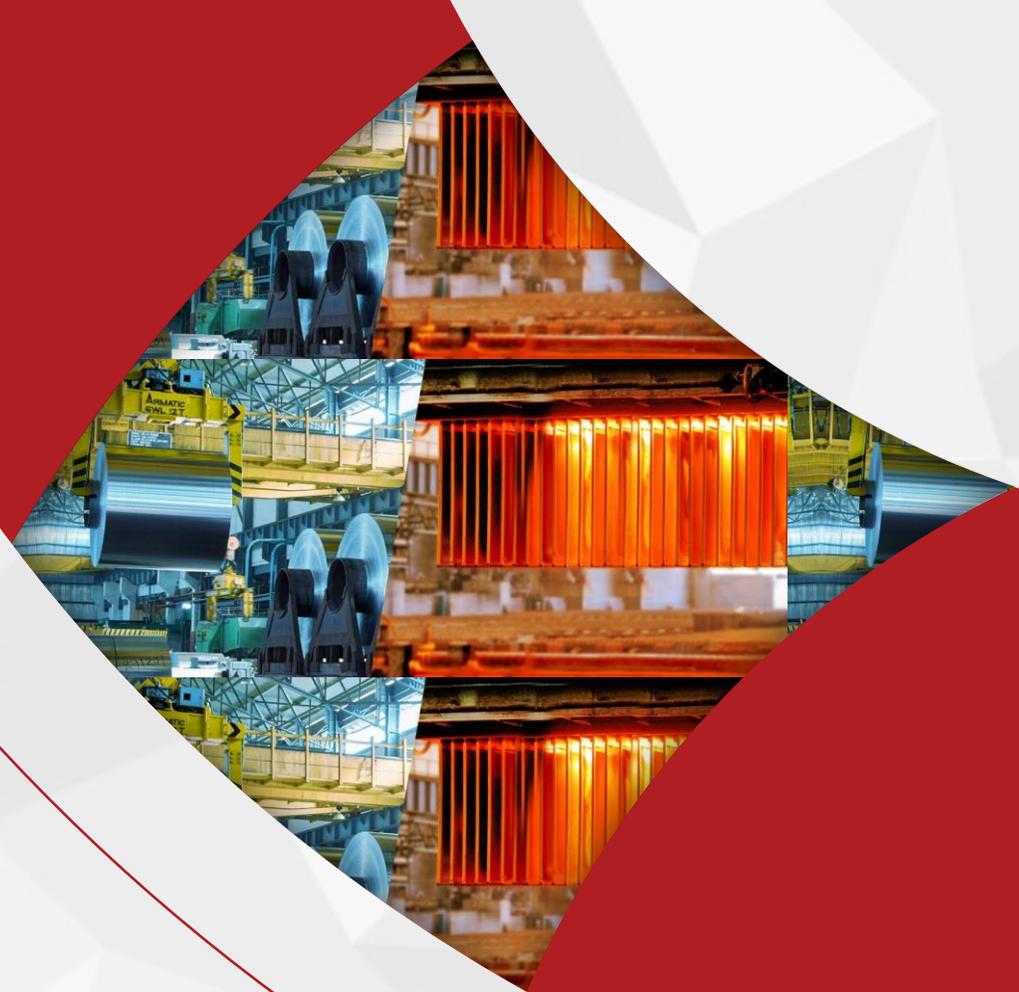
Particulars	Q3 FY21	Q2 FY22	Q3 FY22	YOY Change %	QoQ Change%	9M FY21	9M FY22	Change %
Revenue from Operations	11,425	17,393	18,485	62%	6%	28,454	49,227	73%
EBITDA								
<i>Aluminium</i>	1,461	3,247	3,376	131%	4%	3,622	8,975	148%
<i>Copper</i>	240	352	390	63%	11%	547	1,003	83%
<i>Other Segments</i>	3	3	3	0%	0%	5	7	
Business Segment EBITDA	1,704	3,602	3,769	121%	5%	4,174	9,985	139%
<i>Unallocable Income/ (Expense) (Net)</i>	16	113	(167)			161	(155)	
EBITDA	1,720	3,715	3,602	109%	-3%	4,335	9,830	127%
Finance Costs	380	378	429	-13%	-13%	1,226	1,180	4%
PBDT	1,340	3,337	3,173	137%	-5%	3,109	8,650	178%
Depreciation	497	607	541	-9%	11%	1,653	1,673	-1%
Profit before Exceptional Items and Tax	843	2,730	2,632	212%	-4%	1,456	6,977	379%
Exceptional Income/ (Expenses) (Net)	(68)	-	-			(37)	-	
Profit Before Tax (After Exceptional Item)	775	2,730	2,632	240%	-4%	1,419	6,977	392%
Tax	280	915	898			513	2,391	
Profit/ (Loss) After Tax	495	1,815	1,734	250%	-4%	906	4,586	406%

Production – Alumina



- Total Alumina production was up 27% YoY and 8% sequentially in Q3 FY22
- Record Quarterly production at Utkal Alumina refinery at 563 Kt in Q3 FY22

*Hydrate as Alumina



For Further Queries Please Contact :

Subir Sen,
Investor Relations
Telephone- +91 22 6662 6666
E mail: hilinvestors@adityabirla.com
Website: www.hindalco.com

Registered Office

Ahura Centre, 1st Floor, B Wing
Mahakali Caves Road Andheri (East), Mumbai 400 093
Telephone- +91 22 6691 7000
Website: www.hindalco.com
E mail: hindalco@adityabirla.com
Corporate Identity No. L27020MH1958PLC011238