This is a free translation into English of the statutory auditors' report on the financial statements issued in French and it is provided solely for the convenience of English speaking users.

The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions, or disclosures.

This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Statutory auditor's report on the financial statements
For the year ended March 31, 2015

Novelis PAE SAS
38340 VOREPPE

In compliance with the assignment entrusted to us by your shareholder's meeting,we hereby report to you, for the year ended March 31, 2015, on:

- the audit of the accompanying financial statements of Novelis PAE SAS
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the chairman. Our role is to express an opinion on these financial statements based on our audit.

I - Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sample techniques or other methodes of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Société d'expertise comptable inscrite au tableau de l'ordre de Paris - Ile de France. Société de commissariat aux comptes membre de la compagnie régionale de Versailles.Société Anonyme au capital de 2 510 460 €. Siège social : 63, rue de Villiers 92200 Neuilly-sur-Seine. RCS Nanterre 672 006 483. TVA n° FR 76 672 006 483. Siret 672 006 483 00362. Code APE 6920 Z. Bureaux : Bordeaux, Grenoble, Lille, Lyon, Marseille, Metz, Nantes, Neuilly-Sur-Seine, Nice, Poitiers, Rennes, Rouen, Strasbourg, Toulouse.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at March 31, 2015 and of the results of its operations for the year then ended in accordance with French accounting principles.

II - Justification of our assessments

In accordance with the requirements of article L.823-9 of the French Commercial Code (*code de commerce*) relating to the justification of our assessments, we bring to your attention that the assessments we made relate in particular to the accounting principles followed and significant estimates adopted as well as the presentation of the financial statements.

These assessments were made as part of our audit of the financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III - Specific verifications and information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Chairman, and in the documents addressed to the shareholder with respect to the financial position and the financial statements.

Grenoble, May 13, 2015

The statutory auditor
PricewaterhouseCoopers Audit

Frédéric Charcosset

Balance sheet - Assets

NOVELIS PAE SASU

Summary statement at 31/03/2015

BALANCE SHEET	Gross	Depreciatons Provisions	Net at 31/03/2015	Net at 31/03/2014
ASSETS				
Intangible assets				
Franchises, patents and other similar rights	13 373	13 208	165	663
Softwares	446 598	401 952	44 646	65 546
Value of business	13 000 000		13 000 000	13 000 000
Fixed assets in progress/payments on accounts				
Tangible assets				
Plant, machinery and equipments	159 141	85 235	73 906	60 423
Other tangible assets	119 859	101 379	18 480	24 463
Fixed assets in progress/payments on accounts	0		0	0
Financial assets				
Loans				
Other financial assets	51 476		51 476	50 125
CAPITAL ASSETS	**13 790 447**	**601 774**	**13 188 673**	**13 201 219**
Inventories				
Raw materials and supplies	1 131 420	0	1 131 420	1 123 219
Work in progress - goods	6 186 574	0	6 186 574	9 642 466
Work in progress - services	1 900 585	0	1 900 585	3 162 104
Receivables				
Trade notes and accounts	11 661 151	155 867	11 505 284	11 553 055
Suppliers - receivables				
Income tax - receivables	93 220		93 220	0
VAT - receivables	604 101		604 101	608 466
Other receivables	10 280 520		10 280 520	12 103 209
Other				
Pre and down-payments on orders	74 428		74 428	159 084
Investment securities				
Cash	992		992	14 276
Prepaid expenses	53 269		53 269	47 048
CURRENT ASSETS	**31 986 261**	**155 867**	**31 830 394**	**38 412 928**
Translation differences (assets)	2 824		2 824	0
ADJUSTMENT ACCOUNTS	**2 824**		**2 824**	**0**
TOTAL ASSETS	**45 779 531**	**757 640**	**45 021 891**	**51 614 147**

Balance sheet - Liabilities

NOVELIS PAE SASU

Summary statement at 31/03/2015

BALANCE SHEET	Net at 31/03/2015	Net at 31/03/2014
LIABILITIES		
Individual share capital	4 040 000	4 040 000
Legal reserve	404 000	404 000
Retained earnings	9 875 840	8 449 000
Net income or loss of the period	1 662 023	1 426 840
Regulated provisions	24 399	49 505
SHAREHOLDER EQUITY	**16 006 262**	**14 369 345**
OTHER SHAREHOLDER EQUITY		
Provisions for contingency	329 610	294 725
Provisions for expenses	1 915 884	1 991 993
PROVISIONS FOR CONTINGENCY AND EXPENSES	**2 245 493**	**2 286 718**
Financial debts and borrowings at credit institutions		
Other financial debts and borrowings		
Other financial debts and borrowings - shareholder		
Payment on account received on orders in progress	558 631	1 087 197
Trade notes and accounts payables	3 863 005	4 046 855
Tax and social liabilities	1 893 432	2 672 710
Liabilities to fixed asset suppliers and related accounts		
Other liabilities	447 913	841 278
Prepaid income	20 006 350	26 308 685
CURRENT LIABILITIES	**26 769 331**	**34 956 724**
Translation difference (liabilities)	804	1 359
ADJUSTMENT ACCOUNTS	**804**	**1 359**
TOTAL LIABILITIES	**45 021 891**	**51 614 147**

PROFIT AND LOSS ACCOUNT

NOVELIS PAE SASU

Summary statement at 31/03/2015

	31/03/15 France	31/03/15 Export	31/03/15 Total	31/03/14
Sales of goods				
Production sold goods				
Production sold services	5 667 472	18 119 514	23 786 986	26 552 522
NET TURNOVER	**5 667 472**	**18 119 514**	**23 786 986**	**26 552 522**
Production taken into inventory			-5 835 666	3 708 658
Production capitalised				
Operating subsidies			0	0
Provisions and depreciation written back, charges transferred			1 750 255	1 629 454
Other income			64 954	65 249
Total operating income			**19 766 530**	**31 955 883**
Purchases of goods held for resale				
Inventory change - goods held for resale				
Purchases of raw materials and supplies			8 913 643	18 651 381
Inventory change - raw materials and supplies			-213 974	-490 058
Other purchases and external charges			2 812 091	4 652 835
Taxes, levies and similar payments			253 796	289 053
Wages and salaries			2 911 055	4 212 854
Payroll benefits			1 550 175	1 894 685
Appropriation to depreciation of fixed assets			61 354	60 752
Appropriation to provisions for fixed assets				
Appropriation to provisions for current assets			82 008	16 562
Appropriation to provisions for contingency and expenses			468 899	436 612
Other expenses			537 872	287 175
Total operating expenses			**17 376 919**	**30 011 851**
OPRATING INCOME OR LOSS			**2 389 611**	**1 944 032**
Profit appropriated or profit transferred				
Loss appropriated or loss transferred				
Financial income from participating interests				
Other investment income and amount owed			0	0
Other interests and similar income			16	0
Provisions written back and charges transferred			0	2 247
Foreign exchange gains			16 886	20 326
Net gains on realisation of investments held as current assets			0	0
Total financial income			**16 902**	**22 574**
Allocation to financial assets and provisions			2 824	0
Interests and similar charges			0	159
Foreign exchange losses			0	30 339
Net losses on realisation of investments held as current assets			0	0
Total financial charges			**2 824**	**30 498**
FINANCIAL PROFIT OR LOSS			**14 079**	**-7 924**
CURRENT INCOME OR LOSS BEFORE TAX			**2 403 689**	**1 936 108**
Extraordinary income from operating transactions			0	0
Extraordinary income for capital transactions			0	0
Provisions written back and charges transferred			25 106	68 992
Total extraordinary income			**25 106**	**68 992**
Extraordinary charges from operating transactions			0	0
Extraordinary charges on capital transactions			0	0
Extraordinary allocation to depreciation and provisions			0	0
Total extraordinary charges			**0**	**0**
EXTRAORDINARY INCOME OR LOSS			**25 106**	**68 992**
Employee profit share			131 243	132 826
Income tax			635 529	445 434
TOTAL INCOME			**19 808 538**	**32 047 449**
TOTAL CHARGES			**18 146 515**	**30 620 608**
PROFIT OR LOSS (Total income - Total charges)			**1 662 023**	**1 426 840**

NOVELIS PAE SAS

NOTES TO THE FINANCIAL STATEMENTS
Fiscal year ended March 31, 2015

I - PRESENTATION OF THE COMPANY AND OVERVIEW OF THE YEAR

1.1 Presentation of the company

Novelis PAE SAS is a company specialized in engineering, conception and selling of equipment for aluminium funderies.

1.2 Overview of the year

Sales of equipments increased throughout the year, thanks to an improvement of the market conditions.

II - ACCOUNTING PRINCIPLES AND VALUATION METHODS

2.1 Accounting principles

The account for the year ended March 31, 2015 have been prepared in accordance with accounting principles generally accepted in France and with French regulations.

Assets and liabilities are stated at historical cost.

2.2 Intangible assets

Intangibles assets are valued at cost.

Softwares are depreciated using the straight line method over 60 months.

Purchased goodwill is not amortized. Nevertheless, if there was any supposed loss of value, an impairment test would be performed. The net accounting value of the business is compared with the fair value estimated .An impairment is booked, in case of the net accounting value is above the fair value.

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Research and development costs are expensed when incurred.

2.3 Tangible assets

Tangibles assets are stated at cost (purchase price plus implementation costs).

Tangible assets are amortized over the estimated useful lives of the assets, using the straight line method. Useful lives are as follows:

2.4 Financial assets

Financial assets are valued at their acquisition cost. A depreciation is recorded when the fair value is lower than the carrying value.

2.5 Inventories

Raw materials and supplies are stated at the weighted average price.
Work-in-progress are valued on purchasing price and associated costs and such as sub-contracting costs, if any.
The value of equipment contracts work in progress also includes any direct or indirect, internal or external, costs associated with the contract, as well as a portion of general and administrative expenses.

Depreciation of inventories is calculated on a case by case basis. When the gross book value calculated as described above is higher than net realizable value, a depreciation is recorded for the difference.

2.6 Receivables

Receivables are stated at the face value.

Provision for doubtful debts is recorded when the recoverable value estimated on a case by case basis is lower than the face value.

2.7 Regulated reserves

Regulated reserves could be funded or reversed in compliance with applicable tax rules (provision for price increases, derogatory depreciation, investment provision,…).

2.8 Provisions

The status of any pending litigation or open dispute is reviewed by management at year end, in liaison with external lawyers and advisors. Provisions for contingency are set up, when deemed necessary, for the amount of the estimated liability.

Major provisions are estimated as follows :

2.8.1 Warranty provision

Warranty claims, which could result from contracts completed during the year but have not been raised by the clients, are estimated on the basis of historical statistical data. The corresponding provision is calculated according to contractual rules and usual business practices.

2.8.2 Pension commitments

The liability recognized in the balance sheet in respect of pension commitments is the present value of the defined obligation.

The defined obligation is calculated by an independent actuarial expert using the projected unit credit method. Actuarial gains or losses arising from changes in actuarial assumptions,

which are greater than 10% of the present value of the obligation, are amortized over the average remaining years of service of employees.

Pension expenses are recorded in operating results.

2.8.3 Jubilees awards

The liability recognized in the balance sheet in respect of jubilee awards is the present value of the obligation.

The obligation is calculated by an independent actuarial expert using the projected unit credit method.

2.9 Revenue recognition

Sales of spares parts and consumables are booked in revenue at delivery, according to the specific conditions of each contract/order.

Services are booked in revenue as soon as the services are performed or at percentage of completion for long-term contracts. In this last case, the revenue and the corresponding margin are recognized by application of the percentage of completion on revenue and forecast margin at completion. This percentage of completion is based on the ratio between direct labor costs at the closing and the forecast direct labor costs at achievement (percentage at the value added). Neither revenue nor margin is recognized before delivery of equipment to the customer depending on the Incoterm. For delivery, must be understood main delivery. The main can be defined as follows :
- the shipment (according to the corresponding incoterm) of 100% of the equipment without considering any spare parts and consumables.
- or the delivery of the equivalent of at least 90% of the material cost estimated for the contract, excluding spare parts and consumables. if at least 75% of the payment was received at the end of month (75% of the contract total turnover).

For contracts with high level of technical risks, the method at achievement is applied.

The variance between the invoicing revenue at the closing and the revenue at percentage of completion is booked either in revenue to be invoiced or in deferred revenue.

A long term contract loss at completion is booked if necessary, when the forecast costs of a contract are higher than the forecast revenue. If a work-in-progress is booked on the contract at year-end, depreciation is booked on the work-in-progress. Where applicable, the additional amount of estimated loss is recognized as a provision for liabilities and charges.

2.10 Operations in foreign currencies

Transactions in foreign currencies are translated based on the exchange rate prevailing at the date of the operation. Receivables and payables in foreign currencies are translated at the year-end exchange rate or at the hedging rate, if any. The difference arising from the translation at year-end of receivables and payables denominated in foreign currencies are included in the 'Translation differences' heading (assets or liabilities).of the balance sheet. Unrealized foreign-exchange losses are provided for.

2.11 Tax credit for competitiveness and employment CICE

In application of Article 244 C quarter of French General Tax Code, a tax credit CICE is booked in the financial statements as of March, 31 2015 in respect of eligible wages paid during the year. The gain is booked as a reduction of personnel costs and the offset is deducted of the Income Tax debt.

III - NOTES CONCERNING CERTAIN BALANCE SHEET ITEMS

3.1 Intangible assets

Intangible assets mainly consist of the value of the purchased goodwill of K€ 13 000. This business was acquired from Pechiney Rhenalu in 2004 and was booked in accordance with the sale agreement.

No impairment loss has been recorded in respect of this business at March 31, 2015 as there is no indication that its value could be impaired.

The net book value of other intangible assets amounts to K€ 45 as at March, 31 2015, compared to K€ 66 at March, 31 2014.

3.2 Tangible assets

Tangible assets stand at K€ 92 in net accounting value at March, 31 2015 compared to K€ 85 at March, 31 2014.

3.3 Financial assets

Financial assets are made up of a deposit for K€ 51.

3.4 Inventories

As at March, 31 2015, no inventory depreciation is booked..

3.5 Maturity of account receivables

All receivables are due within twelve months.

3.6 Shareholders' equity

The share capital amounts to € 4 040 000 and is made up of 8 000 shares with a face value of € 505 each, hold at 100 % by the company Novelis Inc.

3.7 Net equity reconciliation

	K€
Shareholders' equity at March, 31 2014	**14 369**
Profit for the year	1 662
Change in investment provision	(25)
Shareholders' equity at March, 31 2015	**16 006**

3.8 Provisions

(K€)	March, 31 2014	Increase	Decrease Used	Decrease Not used	March, 31 2015
Warranty provision	180	97	160	13	104
Provision for risk	106	0	106	0	0
Provision for foreign exchange losses	0	3	0	0	3
Provision loss at completion	0	223	0	0	223
Jubilees awards reserve	177	23	9	0	191
Pension reserve	1 814	159	249	0	1 724
Total	**2 277**	**505**	**524**	**13**	**2 245**

3.9 Maturity of accounts payable

All payables are due within one year.

At March, 31 2015, other payables are mainly made up of accruals for K€ 439.

3.10 Deferred revenues

Deferred revenues are linked with long term contracts. At March, 31 2014, they stand at K€ 26 309. The amount at March, 31 2015 is K€ 20 006.

3.11 Tax and social liabilities

(in K€)	March, 31 2015	March, 31 2014
Payroll	1 060	1 177
Employees' benefits	720	1 188
Income tax - payables	0	197
Other tax and social liabilities	113	111
Tax and social liabilities	**1 893**	**2 673**

3.12 Related companies

Balances resulting from transactions with related companies are the following:

(in K€)	March, 31 2015	March, 31 2014
Trade accounts receivable	79	2 435
Other receivable	10 219	12 099
Trade accounts payable	(57)	(119)
Paid down payment	0	0
Net balance	**10 241**	**14 415**

Other receivables are mainly related to intercompany short-term loan under a cash-pooling agreement.

IV - NOTES RELATING TO CERTAIN PROFIT AND LOSS ITEMS

4.1 Net revenue by destination

(in K€)	March, 31 2015	March, 31 2014	Variance
France	5 667	2 525	3 142
Other countries	18 120	24 028	(5 908)
Total	**23 787**	**26 553**	**(2 766)**

4.2 Gains and charges with related companies

(in K€)	March, 31 2015	March, 31 2014
Sales	776	2 302
Financial gains	0	0
Financial charges	(0)	(0)

4.3 CICE tax credit

The amount of CICE tax credit for 2015 is K€ 39. It is deducted from wages and salaries of the fiscal year.

4.4 Financial gains and losses

(in K€)	March, 31 2015	March, 31 2014
Gain on sales of securities	0	0
Net interests on intercompany financing	0	(0)
Exchange gain/(loss)	17	(10)
Other financial gain/(loss)	(3)	2
Net gain / (loss)	**14**	**(8)**

4.5 Extraordinary profit and losses

(in K€)	March, 31 2015	March, 31 2014
Variation of investment provision	25	69
Other	0	0
Net gain (charge)	**25**	**69**

4.6 Deferred tax position

The impact of tax timing differences at March 31, 2015 is to decrease future income tax charge by K€ 320. Potential deferred tax asset has been calculated at the standard income tax rate of 33,33 %.

V – OTHER INFORMATION

5.1 Identity of consolidating company

The individual accounts of the company are included, according to the global integration method, in the consolidated accounts of the company Novelis Inc, Canada.

5.2 Financial commitments

The company is committed for issued bank guarantees in favor of customers for an amount of K€ 2 142.

Moreover, as a result of the Credit Agreement signed by the Novelis Group with UBS and ABN Amro banks, the company has been a guarantor for the loan contract since 2008. The guarantee has started in September 2008 and the following guarantees have been granted :

- Pledge of the business
- Pledge of trade receivables
- Pledge of bank accounts
- Pledge of inventories.

However, the commitment is limited to the amounts of financing received from the Group. As the loan from Novelis Inc to Novelis PAE SAS was reimbursed in July 2009, the balance of Group loan is nil at March 31, 2015.

5.3 Breakdown of average workforce

		2014-2015	2012-2014
-	Managers	20	23
-	Employees	22	22
	Total	**42**	**45**

5.4 Tax examination in progress

As of March, 31 2015, a tax examination for Fiscal Years closed at March, 31 2011, March, 31 2012 and March, 31 2013 has generated a tax charge of 17 503 EUR.