NOVELIS LAMINES FRANCE SAS

Statutory auditor's report on the financial statements

(For the year ended 31st March 2015)

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(For the year ended 31st March 2015)

To the sole shareholder
NOVELIS LAMINES FRANCE SAS
Technopolis – Bâtiment E
Rue Blaise Pascal
F-28000 - Chartres

In compliance with the assignment entrusted to us following the decision of the sole shareholder, we hereby report to you, for the year ended 31st March 2015, on:

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

These financial statements have been approved by the President. 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 methods 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.

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 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 inform you that we have appraised the appropriate application of French accounting principles along with the reasonableness of the significant accounting estimates used.

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 president, and in the documents addressed to the sole shareholder with respect to the financial position and the financial statements.

Neuilly-sur-Seine, May 5, 2015

The statutory auditor
PricewaterhouseCoopers Audit

Edouard Sattler

Financial statements

BALANCE SHEET ASSETS

			Note	Period N, closing at: 31/03/2015 Gross 1	Provision for depreciation 2	Net 3	31/03/2014 Net 4
Capital subscribed, uncalled (I)			30				
CAPITAL ASSETS	INTANGIBLE ASSETS	Formation expenses	31				
		Development costs					
		Franchises, patents and other similar rights					
		Goodwill (1)					
		Other intangible assets					
		Intangible assets in progress					
		Payments on account					
	TANGIBLE ASSETS	Land					
		Buildings					
		Plant, machinery and equipment					
		Other tangible assets		19 880	19 880		
		Fixed assets in progress					
		Payments on account					
	FINANCIAL ASSETS (2)	Participating interests (equity method)					
		Other participating interests					
		LT receivables from related companies					
		Portfolio investments					
		Other fixed securities					
		Loans					
		Other financial assets		3 985		3 985	3 985
		Total (II)		**23 865**	**19 880**	**3 985**	**3 985**
CURRENT ASSETS	INVENTORIES	Raw materials and supplies	32				
		Work in progress - goods					
		Work in progress - services					
		Semi-processed and finished goods					
		Goods held for resale					
		Payments on account made	33				
	RECEIVABLES	Trade notes and accounts (3)	34	5 815		5 815	17 443
		Other receivables (3)		6 425 910		6 425 910	6 425 497
		Capital subscribed, called yet unpaid					
	OTHER	Investment securities (includ. shares:)	35				
		Cash instruments					
		Cash		48		48	48
ADJUSTMENT ACCOUNTS		Prepaid expenses (3)	36	1 776		1 776	2 720
		Total (III)		**6 433 549**		**6 433 549**	**6 445 709**
		Expenses of issue of loans to be spread out (IV)	36				
		Premiums on redemption of debt securities (V)					
		Translation differences (assets) (VI)					
		GRAND TOTAL (I à VI)		**6 457 414**	**19 880**	**6 437 534**	**6 449 694**

References : (1) including leasehold acquisition cost :			(2) Short term financial investments		(3) Amouth falling due + 1 year	
Reserve of title as security :	Fixed assets :		Inventories :		Receivables :	

BALANCE SHEET LIABILITIES

		Note	31/03/2015	31/03/2014
SHAREHOLDER EQUITY	Legal or share capital (1) (of which, paid up: 3 100 000)	40	3 100 000	3 100 000
	Premiums on share issues, mergers, contributions			
	Appraisal increase credit (2) (including difference via equity method)			
	Legal reserve (3)		310 000	310 000
	Statutory or contractual reserves			
	Regulated reserves (3) (Including special reserve for changes in price rates)			
	Other reserves (Including reserve for purchases of original works by live artists)		2 192	2 192
	Retained earnings carried forward		2 614 328	2 609 075
	NET INCOME OR LOSS OF THE PERIOD		27 332	5 252
	Investment subsidies			
	Regulated provisions			
	Total (I)		**6 053 851**	**6 026 519**
OTHER SHAREHOLD. EQUITY	Income from issues of equity interests	41		
	Conditional subsidies			
	Total (II)			
PROVISIONS FOR CONTING. & EXPENSES	Provision for contingency	42		
	Provision for expenses		103 461	71 468
	Total (III)		**103 461**	**71 468**
LIABILITIES (4)	Convertible debenture loans	43		
	Other debenture loans			
	Sums owed to lending institutions (5)			
	Sundry financial debts and borrowings (Including shareholder borrowings)			
	Payments on account received on orders in progress			
	Trade notes and accounts payable		31 028	42 253
	Tax and social liabilities		249 114	308 629
	Liabilities to fixed asset suppliers and related accounts			
	Other liabilities		81	825
	Cash instruments			
Adjustm. accounts	Prepaid income (4)	44		
	Total (IV)		**280 223**	**351 706**
Translation differences (liabilities)	(V)	44		
	GRAND TOTAL (I to V)		**6 437 534**	**6 449 694**

Footnotes	(1) Appraisal increase credit incorporated into the capital		
	(2) Including: Special revaluation reserve (1959); Appraisal increase credit (2); Revaluation reserve (1976)		
	(3) Including special long term gains reserve		
	(4) Prepayments (income and expenses) within one year	280 223	351 706
	(5) Including current bank borrowings, bank and post office account (CCP) credit balances		

PROFIT AND LOSS ACCOUNT FOR THE PERIOD

				Note	31/03/2015	31/03/2014
	Number of months in period				12	12
OPERATING INCOME		**1 - France**	**2 - Export**		**Total**	**Total**
	Sales of goods held for resale			50		
	Production sold – goods					
	Production sold – services		396 608		396 608	811 651
	NET TURNOVER (14)		396 608		396 608	811 651
	Production taken into inventory					
	Production capitalised					
	Operating subsidies					
	Provisions and depreciation written back, charges transferred (9)				1 115 582	789 335
	Other income (1) (11)				7	22
	Total operating income (2) (I)				**1 512 197**	**1 601 008**
OPERATING EXPENSES	Purchase of goods held for resale (including customs duty)			51		
	Inventory changes (goods held for resale)					
	Purchases of raw materials and supplies (including customs duties)					
	Changes of inventory (raw materials and supplies)					
	Other purchases and external charges (3) (6bis)				296 328	286 509
	Taxes, levies and similar payments				16 685	15 110
	Wages and salaries				719 592	842 608
	Payroll charges (10)				310 510	361 911
	Appropriation to depreciation of fixed assets					
	Appropriation to provisions for fixed assets					
	Appropriation to provisions for current assets					
	Appropriation to provisions for contingency and expenses				103 461	71 468
	Other expenses (12)				96	16
	Total operating expenses (4) (II)				**1 446 671**	**1 577 623**
1 - OPERATING INCOME OR LOSS (I - II)					**65 526**	**23 385**
INTERCPY TRANSACT.	Profit appropriated or loss transferred (III)			52		
	Loss appropriated or profit transferred (IV)					
FINANCIAL INCOME	Financial income from participating interests (5)			53		
	Other investment income and amounts owed (5)				14	13
	Other interest and similar income (5)					
	Provisions written back and charges transferred					
	Foreign exchange gains					
	Net gains on realisation of investments held as current assets					
	Total financial income (V)				**14**	**13**
FINANCIAL CHARGES	Allocation to financial assets and provisions			54		
	Interest and similar charges (6)					
	Foreign exchange losses					
	Net charges on realisation of investments held as current assets					
	Total financial charges (VI)					
2 - FINANCIAL PROFIT OR LOSS (V - VI)					**14**	**13**
3 - CURRENT INCOME OR LOSS BEFORE TAX (I-II+III-IV+V-VI)					**65 540**	**23 398**

PROFIT AND LOSS ACCOUNT FOR THE PERIOD

		Note	31/03/2015	31/03/2014
EXTRAORDINARY INCOME	Extraordinary income from operating transactions Extraordinary income from capital transactions Provisions written back and charges transferred	55		
	Total extraordinary income (VII)			
EXTRAORDINARY CHARGES	Extraordinary charges on operating transactions (6bis) Extraordinary charges on capital transactions Extraordinary allocation to depreciation and provisions	56		1 330
	Total extraordinary charges (VIII)			**1 330**
4 - EXTRAORDINARY INCOME OR LOSS (VII - VIII)				**-1 330**
	Employee profit share (IX)	57		
	Income tax (X)	58	38 208	16 816
	TOTAL INCOME (I+III+V+VII)		**1 512 211**	**1 601 021**
	TOTAL CHARGES (II+IV+VI+VIII+IX+X)		**1 484 879**	**1 595 769**
5 - PROFIT OR LOSS (total income - total charges) (15)			**27 332**	**5 252**

Footnotes	(1)	Including payment instalments on long term transactions		
	(2)	Of which: - Income from real estate rentals - Income from prior period operations		
	(3)	Of which: - Property leasing - Real estate leasing		
	(4)	Of which, charges for prior period operations		
	(5)	Of which, income related to affiliated undertakings		
	(6)	Of which, interest related to affiliated undertakings		
	(6 bis)	Of which, gifts to agencies of general interest (Art.238 bis of the French tax code)		
	(9)	Of which, charges transferred	1 044 114	731 814
	(10)	Of which, personal contributions of the proprietor (13)		
	(11)	Of which, royalties for concession of patents, licences (income)		
	(12)	Of which, royalties for concession of trademarks, licences (charges)		
	(13)	Of which, premiums and additional personal contributions: optional / obligatory		
	(14)	Turnover in Euros and cents	396 608,23	811 650,99
	(15)	Net income or loss in Euros and cents	27 331,54	5 252,47

Notes

Note 10 - Highlights

One employee left the company following a contractual termination. As of March 31st, 2015, the number of employees is 6.

Note 20 - Accounting principles

Accounting standards - General

The preparation and presentation of financial statements have been made pursant to PGC 2014 and the principles generally accepted in France.The application of the general conventions took place in accordance with the precautionary principle, of consistency, independence exercises and business continuity.

The items recorded in the accounts have been valued using the historical cost method.

Additional information on the balance sheet, income statement, as well as those relating to the company's commitments and various information are presented in the notes attached.

Accounting standards - Other information

The component approach introduced by CRC regulation 2002-10 on depreciation and asset impairment is applicable since 1 January 2005.

The inventory of property doesn't hold signifiant items that should be subject to decomposition.

Pursuant to Order (2005-1757 of 30 November 2005) and CRC (05-09 of November 3, 2005), by way of simplification, the plans for depreciation determined based on the useful lives of assets based on tax rules were preserved.

Note 31 - Fixed assets

Gross fixed asset transactions

Description	Gross value at beginning of period	Transactions of the period		Gross value at end of period
		Purchases	Disposals Transf. of items	
Intangible assets				
-Formation and development costs				
-Other intangible asset items				
Total				
Tangible assets				
-Land				
-Buildings . freehold				
. leasehold				
. general installations and improvements				
-Plant, industrial machinery and equipment				
-Other tangible assets				
. general installations and improvements				
. transportation equipment				
. office equipment	19 880			19 880
. miscellaneous, returnable containers				
-Fixed assets in progress				
-Payments on account				
Total	**19 880**			**19 880**
Financial assets				
-Participating interests assessed by the equity method				
-Other participating interests				
-Other fixed securities				
-Loans and other financial assets	3 985			3 985
Total	**3 985**			**3 985**
Grand total	**23 865**			**23 865**

Depreciation transactions

Depreciable fixed assets	Accumulated depreciation at beginning of the period	Transactions of the period		Accumulated depreciation at end of the period
		Allocation	Reduction	
Intangible assets				
- Formation and development costs				
Other intangible asset items				
Total				
Tangible assets				
- Land				
- Buildings . Freehold				
. Leasehold				
. General installations and improvements				
- Plant, industrial machinery and equipment				
- Other tangible assets				
. General installations and improvements				
. Transportation equipment				
. Office equipment	19 880			19 880
. Miscellaneous, returnable containers				
Total	**19 880**			**19 880**
Grand total	**19 880**			**19 880**

Statement of tangible assets

Description	Gross fixed assets	Depreciation	Net fixed assets
At beginning of the period	+ 19 880	+ 19 880	+
Revaluation of the period	+		+
Investments of the period	+		+
Allocation of the period		+	-
Disposals or retirements	-	-	-
Value at end of period	**= 19 880**	**= 19 880**	**= 0**

Financial asset transactions

Description	Amount
Value at beginning of the period	+ 3 985
Purchases	+
Increase by the equity method	+
Disposals, retirements or reduction via the equity method	-
Value at end of period	**= 3 985**

Depreciation method and term

Description	Method	Term
Intangible assets		
- Formation expenses		
- Development costs		
- Franchises, patents and other similar rights		
- Goodwill		
- Other intangible assets		
Tangible assets		
- Land		
- Buildings		
- Plant, machinery and equipment		
- Other tangible assets		
- General installations and improvements		
- Transportation equipment		
- Office equipment	Straight line	120, 36 et 24 month
- Miscellaneous, returnable containers		

Note 34 - Accounts receivable

Accounts receivable were valued at the face value.

Provision for doubtful accounts are recorded when Novelis Lamines assesses the recoverable value to be lower than the face value in particular when collection difficulties arise.

Note 36 - Adjustment accounts: assets

Breakdown of prepaid charges

Description	Period		Operating	Financial	Extraordinary
	to	from			
CCA ABONNEMENT USINE NOUVELLE	01/04/2015		279		
CCA ETAI 1 AN	01/04/2015		83		
CCA THELEM	01/04/2015		369		
LOCATION CONTENEUR 2015	01/04/2015		490		
SISTEL	01/04/2015		555		
		Totals	**1 776**		

Note 40 - Shareholder equity

Composition of registered capital

Description	Shares or partnership interests		
	Number	Unit value	Total
At beginning of the period	200000	15,50	3 100 000
Issued during the period			
Redeemed during the period			
At end of the period	200000	15,50	3 100 000
Increase of capital by incorporation of reserves			
Reduction of capital by use of reserves			

Note 60 - Other information

Charge transfer

Over the year, the amount of expense transfers is 1 044 114.

Consolidation company name by full accounts integration

Novelis Inc.
231 Church Street - Mississauga - Ontario L5M 1N1
TORONTO
CANADA

Breakdown of accrued charges

Description	Amount
ADP-HONORAIRES 02-03/2015	384
CFE A PAYER - Etablissement princ	459
CHARGES SOCIALES/CONGES A PAYER	18 280
CMS LEFEBVRE JURIDIQUE-31/03/2014	3 000
CMS LEFEBVRE JURIDIQUE-HONORAIRES	3 000
CONGES A PAYER BRUTS	40 577
PROVISION CVAE 2014	1 692
PROVISION CVAE 2015	1 269
PROVISION PRIME SUR OBJECTIF	89 931
PWC-HONORAIRES 31/03/2015	3 600
TVS à payer	1 071
Total	**163 264**

Breakdown of accrued income

Description	Amount
NOVELIS ZURICH-REFACT. FORMATION	5 815
Total	**5 815**

Engagement retraite

Rights acquired by employees for the retirement indemnity, taking into account a probability of presence in the company at the retirement age, rise to 103 461 €.

The method is in accordance with the ANC 2013-02 recommendation. The retirement indemnity is calculated in compliance with the projected method. This amount is recorded.

This amount is calculated by taking into account the following assumtpions :

- Manner of calculation is in compliance with the collective agreement "Métallurgie Eure-et-Loir"
- Retirement age 62 years old
- Latest mortality table set up by INSEE
- Turnover low
- Discount rate (TMOP) 1,50 %
- Initiative of the retirement employee

- Social and fiscal charges rate	45,05 %
- Payrise annual rate	2 %

Maturity of receivables

Statement of receivables	Gross amount	Within 1 year maximum	After 1 year
Receivables from undertakings in which interests are held			
Loans (1) (2)			
Other financial assets			
Doubtful or contested accounts			
Other customer receivables	5 815	5 815	
Amounts owed from loaned securities (Provision for loss in value, constituted in prior periods)			
Personnel and related accounts			
Social security and and other social agencies	868	868	
Income tax			
Value added tax	8 607	8 607	
Other taxes, levies and similar payments			
Miscellaneous			
Group and partners (2)	6 410 334	6 410 334	
Sundry debtors (receivables relating to repo agreements)	6 101	6 101	
Prepaid expenses	1 776	1 776	
Totals	**6 433 501**	**6 433 501**	

(1) Sum of
- Loans granted during the period
- Repayments obtained during the period

(2) Loans and advances to partners (individuals)

Maturity of liabilities

Statement of liabilities	Gross amount	Within 1 year maximum	Between 1 and 5 years max.	After 5 years
Convertible debenture loans (1)				
Other debenture loans (1)				
Sums owed to lending institutions (1): Original maximum 1 year term				
Sums owed to lending institutions (1): Original greater than 1 year term				
Sundry financial debts and loans (1) & (2)				
Supplier and related accounts	31 028	31 028		
Personnel and related accounts	130 508	130 508		
Social security and other social agencies	92 013	92 013		
Income tax	21 392	21 392		
Value added tax				
Secured bonds				
Other taxes, levies and similar payments	5 201	5 201		
Debts to fixed asset suppliers and related accounts				
Group and partners (2)				
Other liabilities	81	81		
Debts on loaned securities				
Prepaid income				
Totals	**280 223**	**280 223**		

(1) Borrowings subscribed during the period

Borrowings repaid during the period

(2) Sums owed to partners (individuals)

Statement of provisions

Type of provisions		Amount at beginning of the period	Increase: allocations of the period	Reduction: reversals of the period	Amount at end of the period
REGULATED PROVISIONS					
Provisions for depletion of mining and oil reserves					
Investment provisions (Art.237 bis A-II)					
Provisions for price increases					
Derogatory depreciation (regulated)					
Tax provisions for start-up of foreign operations undertaken before 1.1.1992					
Tax provisions for start-up of foreign operations undertaken after 1.1.1992					
Provision for business set-up loans (Art.39d (quinquies) H of CGI)					
Other regulated provisions					
Total (I)					
PROVISIONS FOR CONTINGENCY AND EXPENSES					
Provisions for lawsuit contingency					
Estimated liability under warranties					
Provisions for unrealised losses on futures markets					
Provisions for fines and penalties					
Provisions for foreign exchange losses					
Provisions for pension plans and similar requirements		71 468	103 461	71 468	103 461
Tax provisions					
Provisions for renewal of fixed assets					
Provisions for large maintenance and great revisions					
Accrued payroll charges on unpaid holiday					
Other provisions for contingency and expenses					
Total (II)		**71 468**	**103 461**	**71 468**	**103 461**
PROVISION FOR LOSS IN VALUE					
on fixed assets	- intangible				
	- tangible				
	- securities via the equity method				
	- participating interests				
	- other financial assets				
On inventories					
On customer accounts					
Other provisions for loss in value					
Total (III)					
Total (I + II + III)		**71 468**	**103 461**	**71 468**	**103 461**
including allocations and reversals	-operating		103 461	71 468	
	-financial				
	-extraordinary				
Securities assessed by the equity method: depreciation at closing computed in pursuance of Article 39-1-5quinquies of French tax code.					