(A free translation of the original in Portuguese)

Independent auditor's report

To the Board of Directors and Quotaholders
Brecha Energética Ltda.

We have audited the accompanying financial statements of Brecha Energética Ltda. (the "Company"), which comprise the balance sheet as at March 31, 2015 and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Brazilian and with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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Brecha Energética Ltda.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of Brecha Energética Ltda. as at March 31, 2015, in accordance with accounting practices adopted in Brazil and with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB).

São Paulo, May 19, 2015

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 "F" MG

Tadeu Cendón Ferreira
Contador CRC 1SP188352/O-5 "S" MG

Brecha Energética Ltda.

Balance sheet

All amounts in reais (A free translation of the original in Portuguese)

Assets	**2015**	**Liabilities and equity**	**2015**
Current assets		Equity	
Cash and cash equivalents	1.000	Share capital	1.000
	1.000	Total equity	1.000
Total assets	1.000	Total liabilities and equity	1.000

The accompanying notes are an integral part of these financial statements.

Brecha Energética Ltda.

Statement of changes in equity

All amounts in reais (A free translation of the original in Portuguese)

	Share capital	Retained earnings	Total
Capital subscription (articles of organization of 4/25/14)	1.000	0	1.000
At March 31, 2015	1.000	0	1.000

The accompanying notes are an integral part of these financial statements.

1 General information

Brecha Energética Ltda.

Brecha Energética Ltda. (the" Company") is a limited liability company controlled by Novelis do Brasil Ltda., headquartered in the city of Guaraciaba, in the state of Minas Gerais, primarily engaged in the generation, transmission, distribution and wholesale trade of electric energy upon appropriate authorization from the National Electric Energy Agency (Aneel).

The Company is dormant since its incorporation on April 25, 2014, without any activity carried out until the end of its fiscal year on March 31, 2015. As the Company is dormant since its incorporation, an income statement is not presented, neither a statement of comprehensive income nor statement of cash flows.

The issue of these financial statements was authorized in definitive form by the Board of Directors on May 19, 2015. These are the first financial statements issued for the Company.

Novelis Group

The Novelis Group is the world leader in aluminum rolled products and aluminum recycling. Based on its capacity, commitment to innovation and cutting-edge technology, Novelis offers sustainable solutions for the most demanding applications, which include automobiles, beverage cans, architecture materials and electronic goods.

Most of Novelis aluminum products are made from recyclable materials, preserving natural resources and allowing the creation of products with less environmental impact.

Novelis do Brasil Ltda. is a subsidiary of Novelis Inc., headquartered in Atlanta, Georgia, USA. Novelis Inc. belongs to Hindalco Industries Limited headquartered in Mumbai, the main company of the multinational Aditya Birla Group.

Novelis do Brasil Ltda., with its headquarters in the city of São Paulo, has 2 plants located in Pindamonhangaba and Santo André, both in the state of São Paulo, which together carry out aluminum sheet and foil rolling, recycling and toll manufacturing operations. The Company has also 8 collection centers distributed in 5 states (São Paulo, Minas Gerais, Bahia, Recife and Pará) and 2 small hydroelectric plants in the state of Minas Gerais. It has around 1,500 employees.

2 Summary of significant accounting policies

The financial statements have been prepared in accordance with accounting practices adopted in Brazil, including the pronouncements issued by the Brazilian Accounting Pronouncements Committee (CPC), as well as according to the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

The main accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied in the years presented, unless otherwise stated.

2.1 Cash and cash equivalents

Cash and cash equivalents include deposits with banks.

3 Equity

(a) Share capital

The share capital, subscribed and paid up on April 24, 2014, in the amount of R$ 1,000, is represented by 1,000 quotas with par value of R$ 1.00 each.