NOVELIS VIETNAM COMPANY LIMITED

STATEMENT OF THE RESPONSIBILITY OF GENERAL MANAGER OF THE COMPANY IN RESPECT OF THE FINANCIAL STATEMENTS

The General Manager of Novelis Vietnam Company Limited ("the Company") is responsible for financial statements which give a true and fair view of the financial position of the Company as at 31 March 2015 and the results of its operations and cash flows for the year then. In preparing these financial statements, the General Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The General Manager is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and which enable financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the financial statements. The General Manager is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

APPROVAL OF THE FINANCIAL STATEMENTS

I hereby approve the accompanying financial statements as set out on pages 5 to 27 which give a true and fair view of the financial position of the Company as at 31 March 2015 and of the results of its operations and cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of financial statements.

S.G.C.N: 4630430087-D.T.M.B.
CÔNG TY TNHH NOVELIS VIỆT NAM
H. TÂN UYÊN - T. BÌNH DƯƠNG

Truong Hoang Nguyen
General Manager

Binh Duong Province, SR Vietnam
12 May 2015

pwc

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NOVELIS VIETNAM COMPANY LIMITED

We have audited the accompanying financial statements of Novelis Vietnam Company Limited ("the Company") which were prepared on 31 March 2015. The financial statements comprise the balance sheet as at 31 March 2015, the income statement and cash flow statement for the year then ended and explanatory notes to the financial statements including significant accounting policies, as set out on page 5 to 27.

The General Manager's Responsibility for the Financial Statements

The General Manager of the Company is responsible for the preparation and the true and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of financial statements and responsible for internal controls which the General Manager determine that it is relevant to the preparation and fair presentation 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 the financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical standards and requirements, plan and perform the audit in order to obtain reasonable assurance as to 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 an 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 controls relevant to the entity's preparation and true 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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the General Manager, as well as evaluating 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.

PricewaterhouseCoopers (Vietnam) Ltd.,
4th Floor, Saigon Tower, 29 Le Duan Street, District 1, Ho Chi Minh City, Vietnam
T: +84 (8)38230796, www.pwc.com/vn

Auditor's Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2015, and its financial performance and cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of financial statements.

PricewaterhouseCoopers (Vietnam) Limited

Dao Quang Huy
Audit Practising Licence No.
1895-2013-006-1
Authorised signatory

Nguyen Thi Cam Nhung
Audit Practising Licence No.
2636-2013-006-1

Report reference number: HCM4814
Ho Chi Minh City, 12 May 2015

As indicated in Note 2.1 to the financial statements, the accompanying financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than SR Vietnam, and furthermore their utilisation is not designed for those who are not informed about SR Vietnam's accounting principles, procedures and practices.

NOVELIS VIETNAM COMPANY LIMITED

Form B 01 – DN

BALANCE SHEET

Code	ASSETS	Note	As at 31 March 2015 VND	As at 31 March 2014 VND
100	**CURRENT ASSETS**		**285,653,877,138**	**523,189,501,967**
110	**Cash and cash equivalents**	3	**3,963,274,596**	**79,707,926,459**
111	Cash		3,963,274,596	79,707,926,459
130	**Accounts receivable**		**193,267,573,073**	**216,366,088,874**
131	Trade accounts receivable	4	193,051,571,143	216,102,293,983
132	Prepayments to suppliers		53,555,139	-
135	Other receivable		162,446,791	263,794,891
140	**Inventories**		**54,600,164,930**	**184,235,838,595**
141	Inventories	5	54,600,164,930	184,235,838,595
150	**Other current assets**		**33,822,864,539**	**42,879,648,039**
151	Short-term prepayments		1,404,988,875	1,329,425,787
152	Value Added Tax to be reclaimed		31,954,735,664	41,072,622,252
158	Other current assets		463,140,000	477,600,000
200	**LONG-TERM ASSETS**		**86,830,405,646**	**92,689,995,825**
220	**Fixed assets**		**85,069,484,690**	**86,036,995,022**
221	Tangible fixed assets	6(a)	65,166,844,424	63,488,988,941
222	Cost		73,341,869,957	66,727,652,540
223	Accumulated depreciation		(8,175,025,533)	(3,238,663,599)
227	Intangible fixed assets	6(b)	19,902,640,266	20,373,709,833
228	Cost		21,159,785,021	21,076,781,021
229	Accumulated amortisation		(1,257,144,755)	(703,071,188)
230	Construction in progress	6(c)	-	2,174,296,248
260	**Other long-term assets**		**1,760,920,956**	**6,653,000,803**
261	Long-term prepayments		1,265,417,696	1,864,075,704
262	Deferred income tax assets	12	101,757,670	4,395,179,509
268	Other long-term assets		393,745,590	393,745,590
270	**TOTAL ASSETS**		**372,484,282,784**	**615,879,497,792**

The notes on pages 9 to 27 are an integral part of these financial statements.

NOVELIS VIETNAM COMPANY LIMITED

Form B 01 – DN

BALANCE SHEET
(continued)

Code	RESOURCES	Note	As at 31 March 2015 VND	As at 31 March 2014 VND
300	**LIABILITIES**		**322,634,738,282**	**611,217,255,151**
310	**Current liabilities**		**322,634,738,282**	**561,217,255,151**
311	Short-term borrowings	7(a)	249,122,527,331	430,320,108,116
312	Trade accounts payable	8	48,852,087,463	115,686,979,230
314	Taxes and other payables to the State Budget	9	2,533,740,257	285,348,376
316	Accrued expenses	10	2,730,277,015	5,722,118,283
319	Other payables	11	19,396,106,216	9,202,701,146
330	**Long-term liabilities**		**-**	**50,000,000,000**
334	Long-term borrowings	7(b)	-	50,000,000,000
400	**OWNER'S EQUITY**		**49,849,544,502**	**4,662,242,641**
410	**Capital and reserves**		**49,849,544,502**	**4,662,242,641**
411	Owner's capital	13, 14	20,820,000,000	20,820,000,000
420	Undistributed earnings /(accumulated losses)	14	29,029,544,502	(16,157,757,359)
440	**TOTAL RESOURCES**		**372,484,282,784**	**615,879,497,792**

OFF BALANCE SHEET ITEMS

Included in cash and cash equivalents are balances held in foreign currency of US$46,122 (2014: US$2,346,853).

S.G.C.N: 4630430003 87-D.A.N.G
CÔNG TY TNHH NOVELIS VIỆT NAM
H. TÂN UYÊN-T. BÌNH DƯƠNG

Tran Thi My Linh
Chief Accountant/Preparer

Truong Hoang Nguyen
General Manager
12 May 2015

The notes on pages 9 to 27 are an integral part of these financial statements

NOVELIS VIETNAM COMPANY LIMITED

Form B 02 – DN

INCOME STATEMENT

Code		Note	Year ended 31 March 2015 VND	2014 VND
01	**Sales**	15	**789,975,041,356**	**345,022,866,030**
02	Less deductions		-	-
10	**Net sales**		**789,975,041,356**	**345,022,866,030**
11	**Cost of sales**	16	**(673,023,654,500)**	**(314,720,902,535)**
20	**Gross profit**		**116,951,386,856**	**30,301,963,495**
21	Financial income	17	2,444,158,477	33,296,748
22	Financial expenses	18	(34,358,384,519)	(21,130,255,459)
23	*- Including: Interest expenses*		*(24,866,895,656)*	*(15,813,638,419)*
24	Selling expenses	19	(1,269,784,662)	(5,052,310,520)
25	General and administration expenses	20	(16,925,678,266)	(17,607,314,391)
30	**Operating profit/(loss)**		**66,841,697,886**	**(13,454,620,127)**
31	Other income		10,000,000	7,055,000
32	Other expenses		(4,412,375,389)	(267,133,798)
40	**Net other expenses**	21	**(4,402,375,389)**	**(260,078,798)**
50	**Net accounting profit/(loss) before tax**		**62,439,322,497**	**(13,714,698,925)**
51	**Business income tax - current**	22	**(12,958,598,797)**	**-**
52	**Business income tax - deferred**	12, 22	**(4,293,421,839)**	**2,735,165,445**
60	**Net profit/(loss) after tax**		**45,187,301,861**	**(10,979,533,480)**

CÔNG TY TNHH NOVELIS VIỆT NAM

Tran Thi My Linh
Chief Accountant/Preparer

Truong Hoang Nguyen
General Manager
12 May 2015

The notes on pages 9 to 27 are an integral part of these financial statements.

NOVELIS VIETNAM COMPANY LIMITED

Form B 03 – DN

CASH FLOW STATEMENT
(Indirect method)

Code		Note	Year ended 31 March 2015 VND	2014 VND
	CASH FLOWS FROM OPERATING ACTIVITIES			
01	**Net profit/(loss) before tax**		**62,439,322,497**	**(13,714,698,925)**
	Adjustments for:			
02	Depreciation and amortisation		5,941,577,855	3,763,851,866
04	Unrealised foreign exchange (gains)/losses		(360,357,008)	37,466,575
05	Losses/(profits) from investing activities		3,956,687,280	(11,955,585)
06	Interest expense		24,866,895,656	16,997,851,280
08	**Operating profit before changes in working capital**		**96,844,126,280**	**7,072,515,211**
09	Decrease/(increase) in receivables		31,342,313,271	(252,651,740,645)
10	Decrease/(increase) in inventories		129,635,673,665	(184,235,838,595)
11	(Decrease)/increase in payables		(59,102,895,749)	125,642,396,215
12	Decrease in prepaid expenses		523,094,920	3,822,261,345
13	Interest paid		(26,105,594,189)	(15,172,531,079)
14	Business income tax paid		(10,516,490,168)	-
20	**Net cash inflows/(outflows) from operating activities**		**162,620,228,030**	**(315,522,937,548)**
	CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets and other long-term assets		(8,785,921,293)	(43,178,629,933)
27	Interest income received		888,549,118	11,955,585
30	**Net cash outflows from investing activities**		**(7,897,372,175)**	**(43,166,674,348)**
	CASH FLOWS FROM FINANCING ACTIVITIES			
33	Proceeds from borrowings		396,045,961,341	463,889,940,980
34	Repayments of borrowings		(627,243,542,126)	(34,418,728,773)
40	**Net cash (outflows)/inflows from financing activities**		**(231,197,580,785)**	**429,471,212,207**
50	**Net (decrease)/increase in cash and cash equivalents**		**(76,474,724,930)**	**70,781,600,311**
60	**Cash and cash equivalents at beginning of year**	3	**79,707,926,459**	**8,938,602,258**
61	Effect of foreign exchange differences		730,073,067	(12,276,110)
70	**Cash and cash equivalents at end of year**	3	**3,963,274,596**	**79,707,926,459**

Tran Thi My Linh
Chief Accountant/Preparer

Truong Hoang Nguyen
General Manager
12 May 2015

The notes on pages 9 to 27 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

1 GENERAL INFORMATION

Novelis Vietnam Company Limited ("the Company") was established in SR Vietnam pursuant to Investment Certificate No. 463043000387, dated 6 August 2012 which was issued by the Board of Management of Vietnam-Singapore Industrial Zone II-A for a period of 46 years from the date of the initial Investment Certificate.

On 10 January 2013, the Board of Management of Vietnam-Singapore Industrial Zone II-A approved the first amended Investment Certificate No. 463043000387 to change legal representative Mr.Kawanghun Yu by Mr.Jung Won Lee.

On 26 February 2013, the Board of Management of Vietnam-Singapore Industrial Zone II-A approved the second amended Investment Certificate No. 463043000387 to increase the investment capital from VND71,085,000,000 to VND102,375,000,000.

On 30 June 2014, the Board of Management of Vietnam-Singapore Industrial Zone II-A approved the third amended Investment Certificate No. 463043000387 to change the registered office from No. 3 VSIP II-A, Street 19, Vietnam-Singapore Industrial, Zone II - A, Tan Uyen District, Binh Duong Province, Vietnam to No. 3 VSIP II-A, Street 19, Vietnam-Singapore Industrial, Zone II - A, Tan Uyen Town, Binh Duong Province, Vietnam.

On 2 March 2015, the Board of Management of Vietnam-Singapore Industrial Zone II-A approved the fourth amended Investment Certificate No. 463043000387 to change legal representative Mr.Jung Won Lee by Mr.Truong Hoang Nguyen.

The principal activities of the Company are:

- Recycling used aluminium beverage cans (the Company is not allowed to establish its facilities to directly collect used beverage cans);
- Implementing the export right of goods having HS code of 7602000000 produced by the Company in Vietnam; and
- Implementing the import right the wholesale distribution right (without establishment of a wholesale location) and the retail distribution right (without establishment of a retail location) of goods having the HS code of 7606121000.

As at 31 March 2015, the Company had 35 employees (31 March 2014: 30 employees).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of financial statements. The financial statements have been prepared under the historical cost convention.

The accompanying financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

2.2 Fiscal year

The Company's fiscal year is from 1 April to 31 March.

2.3 Currency

The financial statements are measured and presented using Vietnamese Dong ("VND").

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction dates. Foreign exchange differences arising from these transactions are recognised in the income statement.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates of exchange ruling at the balance sheet date. Foreign exchange differences arising from these translations are recognised in the income statement.

2.4 Form of records applied

The Company uses general journal form to record its transactions.

2.5 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank, cash in transit, demand deposits and other short-term investments with an original maturity of three months or less.

2.6 Trade receivables

Trade receivables are carried at original invoice amount less an estimate made for doubtful receivables based on a review by the General Manager of all outstanding amounts at the year end. Bad debts are written off when identified.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by weighted average method and includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured products, cost includes all direct expenditure and production overheads based on normal levels of operating activity. Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses. Provision is made, where necessary, for obsolete, slow-moving and defective inventory items.

2.8 Fixed assets

Tangible and intangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the fixed assets.

Depreciation and amortisation

Fixed assets are depreciated using the straight-line method so as to write off the cost of the assets over their estimated useful lives. The estimated useful lives range as below:

Building	20 - 40 years
Machinery and equipment	5 - 10 years
Motor vehicles	10 years
Office equipment	7 years
Software	3 years

Land use rights are amortised, using the straight-line method over 46 years in accordance with the terms indicated in the Land Use Right Certificate issued on 24 October 2012.

Disposals

Gains and losses on disposals are determined by comparing net disposal proceeds with the carrying amount and are recognised as income or expense in the income statement.

2.9 Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

2.10 Borrowing costs

Borrowing costs that are directly attributable to the construction or production of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are recognised in the income statement when incurred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Prepaid expenses

Prepaid expenses include short-term or long-term prepayments on the balance sheet and are mainly prepaid loan guarantee, prepaid office furniture.

2.12 Revenue recognition

(a) Sales of goods

Revenue from the sale of goods is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

(b) Interest income

Interest income is recognised on an earned basis.

2.13 Current and deferred income tax

Income taxes include all income taxes which are based on taxable profits including profits generated from production and trading activities in other countries that the

Socialist Republic of Vietnam has not signed any double taxation agreement. Income tax expense comprises current tax expense and deferred tax expense.

Current income tax is the amount of income taxes payable or recoverable in respect of the current year taxable profit and the current tax rates. Current and deferred tax should be recognized as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from a transaction or event which is recognized, in the same or a different period, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.14 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

2.15 Provision

Provisions is recognised when: the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions is measured at the expenditures expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expenses.

3 CASH AND CASH EQUIVALENTS

	2015 VND	2014 VND
Cash at bank	3,963,274,596	79,707,926,459

4 TRADE ACCOUNTS RECEIVABLE

	2015 VND	2014 VND
Third parties	193,051,571,143	42,090,066,538
Related parties (Note 25(b))	-	174,012,227,445
	193,051,571,143	216,102,293,983

5 INVENTORIES

	2015 VND	2014 VND
Raw material	606,306,957	123,595,071
Work in progress	47,576,102,768	184,112,243,524
Finished goods	6,417,755,205	-
	54,600,164,930	184,235,838,595

6 FIXED ASSETS

(a) Tangible fixed assets

	Building VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
Historical cost					
At 1 April 2014	38,310,769,648	20,627,962,279	4,903,630,161	2,885,290,452	**66,727,652,540**
New purchases	-	335,573,336	-	385,178,797	**720,752,133**
Transfers from construction in progress (Note 6(c))	115,919,474	9,537,367,808	-	648,007,636	**10,301,294,918**
Disposals	-	(4,407,829,634)	-	-	**(4,407,829,634)**
At 31 March 2015	38,426,689,122	26,093,073,789	4,903,630,161	3,918,476,885	**73,341,869,957**
Accumulated depreciation					
At 1 April 2014	1,460,152,685	1,133,244,710	340,366,107	304,900,097	**3,238,663,599**
Charge for the year	2,056,964,866	2,352,107,786	490,363,016	488,068,620	**5,387,504,288**
Disposals	-	(451,142,354)	-	-	**(451,142,354)**
At 31 March 2015	3,517,117,551	3,034,210,142	830,729,123	792,968,717	**8,175,025,533**
Net book value					
At 1 April 2014	36,850,616,963	19,494,717,569	4,563,264,054	2,580,390,355	**63,488,988,941**
At 31 March 2015	34,909,571,571	23,058,863,647	4,072,901,038	3,125,508,168	**65,166,844,424**

6 FIXED ASSETS (continued)

(b) Intangible fixed assets

	Land use rights VND	Software VND	Total VND
Historical cost			
At 1 April 2014	20,843,966,666	232,814,355	**21,076,781,021**
Transfers from construction in progress (Note 6(c))	-	83,004,000	**83,004,000**
At 31 March 2015	20,843,966,666	315,818,355	**21,159,785,021**
Accumulated amortisation			
At 1 April 2014	651,334,665	51,736,523	**703,071,188**
Charge for the year	458,952,032	95,121,535	**554,073,567**
At 31 March 2015	1,110,286,697	146,858,058	**1,257,144,755**
Net book value			
At 1 April 2014	20,192,632,001	181,077,832	**20,373,709,833**
At 31 March 2015	19,733,679,969	168,960,297	**19,902,640,266**

(c) Construction in progress

	2015 VND	2014 VND
Beginning of year	2,174,296,248	27,696,226,143
Additions	8,210,002,670	41,898,851,757
Transfers to tangible fixed assets (Note 6(a))	(10,301,294,918)	(65,887,999,719)
Transfers to intangible fixed assets (Note 6(b))	(83,004,000)	-
Other decrease	-	(1,532,781,933)
End of year	-	2,174,296,248

7 BORROWINGS

(a) Short-term borrowings

	2015 VND	2014 VND
Short-term bank loan	199,122,527,331	430,320,108,116
Current portion of long-term borrowings	50,000,000,000	-
	249,122,527,331	430,320,108,116

7 BORROWINGS (continued)

(a) Short-term borrowings (continued)

Details of short-term borrowings as at 31 March 2015 are as following:

Lender	Credit line VND	Interest per annum	Loan balance as at 31 March 2015 VND	Loan balance as at 31 March 2014 VND	Collateral
Korea Exchange Bank, Hanoi Branch	82,400,000,000	State Bank of Vietnam ("SBV")'s Basic rate – 2.5%	42,807,476,362	82,396,383,819	Stand-by LC (KEB Seoul)
Standard Chartered Bank Vietnam Limited	USD4 million equivalent to VND84.2 billion	VNIBOR 1M + 2.2%	41,997,068,300	84,009,379,472	Letter of Guarantee (Novelis Korea)
Korea Exchange Bank, Hanoi Branch	63,000,000,000	SBV's Basic rate - 1.5%	-	62,814,588,476	Stand-by LC (KEB Seoul)
ShinHan Bank Vietnam	179,000,000,000	SBV's Basic rate - 0.8%	26,219,638,138	174,171,392,730	Letter of Guarantee (Novelis Korea)
ShinHan Bank Vietnam	168,000,000,000	(SBV's Basic rate - 1.3%) for VND drawdown/ (Libor 3 months + 2.5%) for USD drawdown	88,098,344,531	26,928,363,619	Stand-by LC (Shinhan bank in Korea)
Korea Exchange Bank, Hanoi branch	50,000,000,000	SBV's basic rate - 0.725%	50,000,000,000	-	Stand-by LC (KEB Seoul)
			249,122,527,331	430,320,108,116	

7 BORROWINGS (continued)

(b) Long-term borrowings

	2015 VND	2014 VND
Bank loan	-	50,000,000,000

8 TRADE ACCOUNTS PAYABLE

	2015 VND	2014 VND
Related parties (Note 25(b))	44,915,088,496	110,204,112,067
Third parties	3,936,998,967	5,482,867,163
	48,852,087,463	115,686,979,230

9 TAXES AND OTHER PAYABLES TO THE STATE BUDGET

	2015 VND	2014 VND
Business income tax	2,442,108,629	-
Personal income tax	91,631,628	46,742,416
Other tax	-	238,605,960
	2,533,740,257	285,348,376

10 ACCRUED EXPENSES

	2015 VND	2014 VND
Interest expenses	1,192,231,552	2,286,096,575
Accrue bonus	927,919,268	695,226,506
Professional fees	291,000,000	475,000,000
Freight expense	-	1,763,870,125
Others	319,126,195	501,925,077
	2,730,277,015	5,722,118,283

11 OTHER PAYABLES

	2015 VND	2014 VND
Loan guarantee fee - Novelis Korea Limited (Note 25(b))	13,645,498,492	6,072,326,739
Legal fee - Novelis Korea Limited (Note 25(b))	657,593,895	657,593,895
IT and staff relocation recharge - Novelis Inc., (Note 25(b))	3,431,605,922	2,448,638,146
Staff relocation recharge - Novelis Corp. (Note 25(b))	1,407,367,303	-
Branding fee - Novelis Services (Note 25(b))	217,254,930	-
Social insurance and health insurance	16,988,947	24,142,366
Others	19,796,727	-
	19,396,106,216	9,202,701,146

12 DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority. The offset amounts are as follows:

	2015 VND	2014 VND
Deferred tax assets to be recovered within 12 months	101,757,670	4,395,179,509

The gross movement in the deferred income tax, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	2015 VND	2014 VND
Beginning of year	4,395,179,509	1,660,014,064
Income statement (charge)/credit	(4,293,421,839)	2,735,165,445
End of year	101,757,670	4,395,179,509

13 OWNER'S CAPITAL

	Charter capital US$	%	Amount contributed US$	Equivalent VND
Novelis Inc.,	1,000,000	100	1,000,000	20,820,000,000

Pursuant to Investment Certificate No. 463043000387 dated 6 August 2012, the charter capital of the Company is US$1,000,000 which has been fully contributed, equivalent to VND20,820,000,000 as translated using the exchange rate at the time of contribution. The investment capital of the project is US$4,875,000, equivalent to VND102,375,000,000.

14 MOVEMENTS IN OWNER'S EQUITY

	Owner's capital VND	(Accumulated losses)/ Undistributed earnings VND	Total VND
As at 1 April 2014	20,820,000,000	(5,178,223,879)	**15,641,776,121**
Loss for the year	-	(10,979,533,480)	**(10,979,533,480)**
As at 31 March 2014	20,820,000,000	(16,157,757,359)	**4,662,242,641**
Profit for the year	-	45,187,301,861	**45,187,301,861**
As at 31 March 2015	20,820,000,000	29,029,544,502	**49,849,544,502**

15 SALES

	2015 VND	2014 VND
Sales of finished goods	789,975,041,356	345,022,866,030

16 COST OF SALES

	2015 VND	2014 VND
Cost of goods sold	669,711,662,179	302,340,290,899
Write off inventory loss	3,311,992,321	12,380,611,636
	673,023,654,500	314,720,902,535

17 FINANCIAL INCOME

	2015 VND	2014 VND
Interest income	888,549,118	11,955,585
Realized foreign exchange gains	1,195,252,351	21,341,163
Net gain from foreign currency translation at year-end	360,357,008	-
	2,444,158,477	33,296,748

18 FINANCIAL EXPENSES

	2015 VND	2014 VND
Interest expense	24,866,895,656	15,813,638,419
Loan guarantee fees	7,598,022,637	5,173,624,353
Realized foreign exchange losses	1,893,466,226	105,526,112
Net loss from foreign currency translation at year-end	-	37,466,575
	34,358,384,519	21,130,255,459

19 SELLING EXPENSES

	2015 VND	2014 VND
Branding fee	1,169,298,189	-
Freight and forwarding expenses	-	5,052,310,520
Others	100,486,473	-
	1,269,784,662	5,052,310,520

20 GENERAL AND ADMINISTRATION EXPENSES

	2015 VND	2014 VND
Labour costs	10,863,266,190	11,445,449,968
Rental and management fees	1,307,250,311	1,249,636,162
Tax, legal and audit fees	827,808,859	1,542,396,156
Depreciation of fixed assets	225,091,953	267,299,632
Outsource services	1,221,724,555	1,086,912,345
Others	2,480,536,398	2,015,620,128
	16,925,678,266	17,607,314,391

21 NET OTHER INCOME/(EXPENSES)

	2015 VND	2014 VND
Other income		
Sundry income	10,000,000	7,055,000
Other expenses		
Net book value of fixed assets disposed	(3,956,687,280)	-
Depreciation expenses for idle time	(455,688,109)	-
Sundry expenses	-	(267,133,798)
	(4,412,375,389)	(267,133,798)
Net other expenses	(4,402,375,389)	(260,078,798)

22 TAXATION

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the tax rate of 22% regulated in the Investment Certificate of the Company as follows:

	2015 VND	2014 VND
Net accounting profit/(loss) before tax	62,439,322,497	(13,714,698,925)
Tax calculated at tax rate 22% (2014: 25%)	13,736,650,949	(3,428,674,731)
Effect of:		
Expenses not deductible for tax purposes	154,045,653	89,619,402
Utilisation of previously unrecognised tax losses	(932,097,805)	-
Underprovision in previous years	4,293,421,839	-
Difference in tax rate	-	603,889,884
Business income tax charge	17,252,020,636	(2,735,165,445)
In which:		
Business income tax – current	12,958,598,797	-
Business income tax – deferred (Note 12)	4,293,421,839	(2,735,165,445)

The business income tax charge for the year is based on estimated taxable income and is subject to review and possible adjustment by the tax authorities.

23 COST OF MANUFACTURING BY FACTOR

	2015 VND	2014 VND
Raw material cost	269,915,136,838	340,814,192,904
Tolling fee	231,303,587,677	110,183,160,713
Outsource services	28,209,266,178	36,035,308,587
Labour cost	21,605,074,454	18,455,204,747
Depreciation expense	5,941,577,855	3,763,851,866
Branding fee	1,169,298,189	-
Other cash expense	100,486,473	127,574,314
	558,244,427,664	509,379,293,131

24 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's overall risk management strategy seeks to minimise the adverse effect of these risks on the Company's financial performance.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, and price risk and interest rate risk.

(i) Currency risk

The Company's business is exposed to foreign currency risk arising from various currency exposures, primarily United States Dollar ("USD").

24 FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The Company's currency exposure to the USD is as follows:

	Original currency USD		Equivalent to VND	
	2015	2014	2015	2014
Financial assets				
Cash at bank	46,122	2,346,853	990,234,617	49,377,788,804
Account receivables and other receivables	4,359	8,283,081	93,578,770	174,276,022,346
	50,481	10,629,934	1,083,813,387	223,653,811,150
Financial liabilities				
Account payables and other payables	(2,993,683)	(5,690,981)	(64,274,366,066)	(119,734,664,173)
Borrowings	-	(86,299)	-	(1,817,948,569)
	(2,993,683)	(5,777,280)	(64,274,366,066)	(121,552,612,742)
Currency exposure - net	**(2,943,202)**	**4,852,654**	**(63,190,552,679)**	**102,101,198,408**

At 31 March 2015, if the USD had strengthened/weakened by 1% against the VND with all other variables being held constant, the Company's profit before tax for the year would have been VND631,905,527 lower/higher as a result of foreign exchange losses/gains on translation of USD-denominated financial instruments etc.

(ii) Price risk

During the year, the Company was under no securities price risk as it did not enter into any securities transactions. The Company is not significantly exposed to commodity price risk.

(iii) Interest rate risk

The Company is exposed to significant interest rate risk on its borrowings. At 31 March 2015, if the VND interest rates had increased/decreased by 1% with all other variables being held constant, the Company's profit before tax for the year would have been lower/higher by VND2,491,225,273 as a result of higher/lower interest expense on these borrowings.

24 FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company adopts the policy of dealing with customers of appropriate credit history to mitigate credit risk.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The table below categorises the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year VND	Between 2 and 5 years VND
As at 31 March 2015		
Trade and other payables	68,248,193,679	-
Borrowings	249,122,527,331	-
	317,370,721,010	-
As at 31 March 2014		
Trade and other payables	124,889,680,376	-
Borrowings	430,320,108,116	50,000,000,000
	555,209,788,492	50,000,000,000

25 RELATED PARTY TRANSACTIONS

The Company is controlled by Novelis Inc., which owns 100% of the Company's charter capital. Novelis Inc., is ultimate parent of the company which is incorporated in Canada.

(a) Related party transactions

During the year, the following transactions were carried out with related parties:

	2015 VND	2014 VND
i) Sales of finished goods		
Novelis Mea Limited	-	224,194,859,559

25 REATED PARTY TRANSACTIONS (continued)

(a) Related party transactions (continued)

	2015 VND	2014 VND
ii) Compensation of key management		
Gross salaries and other benefits	7,415,097,455	8,435,522,799
iii) Expenses charged		
Tolling fee - Novelis Korea Limited	231,303,587,677	110,183,160,713
Loan guarantee fee - Novelist Korea Limited	7,374,736,238	5,173,624,353
IT support - Novelis Inc.,	2,011,198,840	1,718,686,200
Branding fee - Novelis Services	1,219,412,241	-
Staff reallocation recharges - Novelis Inc.,	518,046,158	1,082,239,620
Staff reallocation recharges - Novelis Corp.	663,767,851	667,105,554
	243,090,749,005	118,824,816,440

(b) Period end balances with related parties

	2015 VND	2014 VND
Trade accounts receivable (Note 4)		
Novelis Mea Limited	-	174,012,227,445
Other receivables		
Novelis Korea Limited	93,578,770	263,794,881
Account payables (Note 8)		
Novelis Korea Limited	44,915,088,496	110,204,112,067
Other payables (Note 11)		
Loan guarantee - Novelis Korea Limited	13,645,498,492	6,072,326,739
Legal fee - Novelis Korea Limited	657,593,895	657,593,895
IT and staff relocation recharge - Novelis Inc.,	3,431,605,922	2,448,638,146
Staff relocation recharge - Novelis Corp.	1,407,367,303	-
Branding fee - Novelis Services	217,254,930	-
	19,359,320,542	9,178,558,780

26 COMMITMENTS UNDER OPERATING LEASES

The future minimum lease payments under non-cancellable operating leases are as follows:

	2015 VND	2014 VND
Within 1 year	3,533,098,360	3,427,550,027
Between 1 and 5 years	357,057,855	1,601,659,521
Total minimum payments	3,890,156,215	5,029,209,548

27 CAPITAL COMMITMENTS

Capital expenditure contracted for at the balance sheet date but not recognised in the financial statements is as follows:

	2015 VND	2014 VND
Plant and machinery	-	4,930,745,040

The financial statements were approved by the General Manager on 12 May 2015.

CÔNG TY TNHH NOVELIS VIỆT NAM

Tran Thi My Linh
Chief Accountant/Preparer

Truong Hoang Nguyen
General Manager