Independent Auditor's Report

To the Management of Novelis Delaware LLC:

We have audited the accompanying financial statements of Novelis Delaware LLC, which comprise the balance sheet as of March 31, 2015 and the related statements of operations, of comprehensive income, of shareholder's equity and of cash flows for the year then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control 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 auditing standards generally accepted in the United States of America. Those standards require that we 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 our 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, we consider internal control relevant to the Company'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 Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Novelis Delaware LLC at March 31, 2015, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

PricewaterhouseCoopers LLP, 1075 Peachtree Street, Suite 2600, Atlanta, GA 30309
T: (678) 419 1000, F: (678) 419 1239, www.pwc.com/us

Other Matter

The accompanying balance sheet of Novelis Delaware LLC as of March 31, 2014, and related statements of operations, of comprehensive income, of shareholder's equity and of cash flows for the year then ended were not audited, reviewed, or compiled by us and, accordingly, we do not express an opinion or any other form of assurance on them.

PricewaterhouseCoopers LLP

Atlanta, Georgia
June 17, 2015

Novelis Delaware LLC
BALANCE SHEET
(In thousands, except number of shares)

	March 31,	
	2015	**2014 (Unaudited)**
ASSETS		
Current assets		
Cash and cash equivalents	$ 132	$ 170
Total current assets	132	170
Long–term loans receivable — related party	570,908	731,680
Total assets	$ 571,040	$ 731,850
LIABILITIES AND SHAREHOLDER'S EQUITY		
Total liabilities	-	-
Shareholder's equity		
Common stock, no par value; unlimited number of shares authorized; 701,714 shares issued and outstanding as of March 31, 2015 and 2014	-	-
Additional paid–in capital	709,216	709,216
Retained earnings	1,112	1,150
Accumulated other comprehensive (loss) income	(139,288)	21,484
Total shareholder's equity	571,040	731,850
Total liabilities and shareholder's equity	$ 571,040	$ 731,850

See accompanying notes to the financial statements.

Novelis Delaware LLC
STATEMENT OF OPERATIONS
(In thousands)

	Year Ended March 31,	
	2015	**2014 (Unaudited)**
Selling, general and administrative expenses	$ 1	$ 1
Interest income — related party	(54,108)	(57,873)
Foreign currency remeasurement loss (gain), net	1,162	(1,682)
	(52,945)	(59,554)
Income before income taxes	52,945	59,554
Income tax provision	-	-
Net income	$ 52,945	$ 59,554

See accompanying notes to the financial statements

Novelis Delaware LLC
STATEMENT OF COMPREHENSIVE INCOME (LOSS)
(In thousands)

	Year Ended March 31,	
	2015	**2014 (Unaudited)**
Net income	$ 52,945	$ 59,554
Other comprehensive (loss) income:		
Currency translation adjustment	(160,772)	49,687
Other comprehensive (loss) income	(160,772)	49,687
Comprehensive (loss) income	$ (107,827)	$ 109,241

See accompanying notes to the financial statements.

Novelis Delaware LLC
STATEMENT OF CASH FLOWS
(In thousands)

	Year Ended March 31,	
	2015	**2014 (Unaudited)**
OPERATING ACTIVITIES		
Net income	$ 52,945	$ 59,554
Net cash provided by operating activities	52,945	59,554
INVESTING ACTIVITIES		
Net cash provided by investing activities	-	-
FINANCING ACTIVITIES		
Dividends Paid	(52,983)	(58,561)
Net cash (used in) financing activities	(52,983)	(58,561)
Net increase (decrease) in cash and cash equivalents	(38)	993
Effect of exchange rate changes on cash	-	(983)
Cash and cash equivalents — beginning of period	170	160
Cash and cash equivalents — end of period	$ 132	$ 170

See accompanying notes to the financial statements

Novelis Delaware LLC
STATEMENT OF SHAREHOLDER'S EQUITY
(In thousands, except number of shares)

	Common Shares		Additional Paid-in Capital	Retained Earnings/ (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss) (AOCI)	Total Equity
	Shares	**Amount**				
Balance as of March 31, 2013 (Unaudited)	**701,714**	**$ -**	**$ 709,216**	**$ 157**	**$ (28,203)**	**$ 681,170**
Net income	-	-	-	59,554	-	59,554
Currency translation adjustment	-	-	-	-	49,687	49,687
Dividends declared and paid	-	-	-	(58,561)	-	(58,561)
Balance as of March 31, 2014 (Unaudited)	701,714	-	709,216	1,150	21,484	731,850
Net income	-	-	-	52,945	-	52,945
Currency translation adjustment	-	-	-	-	(160,772)	(160,772)
Dividends declared and paid	-	-	-	(52,983)	-	(52,983)
Balance as of March 31, 2015	**701,714**	**$ -**	**$ 709,216**	**$ 1,112**	**$ (139,288)**	**$ 571,040**

See accompanying notes to the financial statements

Novelis Delaware LLC
NOTES TO THE FINANCIAL STATEMENTS

1. BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

References herein to the "Company," "we," "our," or "us" refer to Novelis Delaware LLC unless the context specifically indicates otherwise.

Organization of Business

Novelis Delaware LLC was formed in Canada on March 6, 2012. Novelis Delaware LLC's common shares are directly held by 8018243 Canada Limited. All of 8018243 Canada Limited's shares are directly held by Novelis Inc. (Canada). The Company's functional and reporting currency is United States Dollar (USD).

Use of Estimates and Assumptions

The preparation of our financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires us to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Future events and their effects cannot be predicted with certainty, and accordingly, our accounting estimates require the exercise of judgment. The accounting estimates used in the preparation of our financial statements may change as new events occur, as more experience is acquired, as additional information is obtained and as our operating environment changes. We evaluate and update our assumptions and estimates on an ongoing basis and may employ outside experts to assist in our evaluations. Actual results could differ from the estimates we have used.

Basis of Presentation

These financial statements have been prepared solely to satisfy the reporting requirements of the ultimate parent company, Hindalco Industries Limited, to present separate audited subsidiary financial statements in accordance with Sections 136 and 137 of the Companies Act, 2013 in India. The results of the Company's separate financial statements are also included in the consolidated financial statements of our indirect parent, Novelis Inc., and of our ultimate parent, Hindalco Industries Limited, and those consolidated financial statements are publicly available. These separate financial statements are prepared in accordance with U.S. GAAP.

Risks and Uncertainties

We are exposed to a number of risks in the normal course of our operations that could potentially affect our financial position, results of operations, and cash flows.

Selling, General and Administrative Expenses

"Selling, general and administrative expenses" include fees charged by banking institutions for banking products and services.

Cash and Cash Equivalents

"Cash and cash equivalents" includes investments that are highly liquid and have maturities of three months or less when purchased. The carrying values of cash and cash equivalents approximate their fair value due to the short-term nature of these instruments.

We maintain amounts on deposit with various financial institutions, which may, at times, exceed federally insured limits. However, management periodically evaluates the credit-worthiness of those institutions, and we have not experienced any losses on such deposits.

Income Taxes

We account for income taxes using the asset and liability method. This approach recognizes the amount of income taxes payable or refundable for the current year, as well as deferred tax assets and liabilities for the future tax consequence of events recognized in the financial statements and income tax returns. Deferred income tax assets and liabilities are adjusted to recognize the effects of changes in tax laws or enacted tax rates. Under ASC 740, *Income Taxes* (ASC 740), a valuation allowance is required when it is more likely than not that some portion of the deferred tax assets will not be realized. Realization is dependent on generating sufficient taxable income through various sources. We used the benefits-for-loss method of tax allocation so that net operating losses are characterized as realized (or realizable). Net operating losses (or other current or deferred tax attributes) are characterized as realized (or realizable) by Novelis Delaware, LLC when those tax attributes are realized (or realizable) by the consolidated group of Novelis Inc. (indirect parent) even if Novelis Delaware, LLC would not otherwise have realized the attributes on a stand-alone basis. Thus, when the benefit of the net operating loss (or other tax attribute) is recognized in the consolidated financial statements of Novelis Inc., Novelis Delaware, LLC would generally reflect a benefit in its separate financial statements. See Note 5 — Income Taxes for further discussion.

1. BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Foreign Currency Translation

We have long-term loans receivables due from a related party, which are denominated in Euros. In accordance with ASC 830, *Foreign Currency Matters,* the remeasurement gains and losses of this long-term loan receivable are recorded through "Currency translation adjustment" within "Accumulated other comprehenstive income (loss)" as the Company does not intend to settle such intercompany receivable in the foreseeable future. All other monetary items denominated in currencies other than USD are remeasured at period-end exchange rates and transaction gains and losses are included in “Foreign currency remeasurement loss (gain), net” in our statement of operations.

Guarantees of Indebtedness

On December 17, 2010, Novelis Inc. issued $1.1 billion in aggregate principal amount of 8.375% Senior Notes Due 2017 (the 2017 Notes) and $1.4 billion in aggregate principal amount of 8.75% Senior Notes Due 2020 (the 2020 Notes, and together with the 2017 Notes, the Notes). We have issued guarantees on behalf of Novelis Inc.'s (Indirect Parent and Issuer) 2017 Notes and 2020 Notes. This guarantee is full and unconditional as well as joint and several. As of March 31, 2015, no contingent loss has been recorded related to the guarantee of debt.

The Notes contain customary covenants and events of default that will limit Novelis Inc.'s ability and, in certain instances, the ability of certain of Novelis Inc.'s subsidiaries to (1) incur additional debt and provide additional guarantees, (2) pay dividends or return capital beyond certain amounts and make other restricted payments, (3) create or permit certain liens, (4) make certain asset sales, (5) use the proceeds from the sales of assets and subsidiary stock, (6) create or permit restrictions on the ability of certain of Novelis Inc.'s subsidiaries to pay dividends or make other distributions to Novelis Inc., (7) engage in certain transactions with affiliates, (8) enter into sale and leaseback transactions, (9) designate Novelis Inc.'s subsidiaries as unrestricted subsidiaries and (10) consolidate, merge or transfer all or substantially all of Novelis Inc.'s assets and the assets of certain of Novelis Inc.'s subsidiaries. During any future period in which either Standard & Poor's Ratings Group, Inc. or Moody's Investors Service, Inc. have assigned an investment grade credit rating to the Notes and no default or event of default under the Indenture has occurred and is continuing, most of the covenants will be suspended. The Notes include a cross-acceleration event of default triggered if (1) any other indebtedness with an aggregate principal amount of more than $100 million is accelerated prior to its maturity or (2) not repaid at its maturity. As of March 31, 2015, Novelis Inc. was in compliance with the covenants in the Notes.

As of March 31, 2015, Novelis Inc. has outstanding senior secured credit facilities, which consist of (1) a $1.7 billion four-year secured term loan credit facility (Term Loan Facility) and (2) a $1.2 billion five-year asset based loan facility (ABL Revolver) which has a provision that allows the facility to be increased by an additional $500 million. The Term Loan Facility interest rate is equal to LIBOR (with a floor of 1%) plus a spread of 2.75%, at all times. We have issued guarantees on behalf of Novelis Inc.'s Term Loan Facility and ABL Revolver. As of March 31, 2015, no contingent loss has been recorded related to the guarantee of debt.

The senior secured credit facilities contain various affirmative covenants, including covenants with respect to consolidated Novelis Inc. financial statements, litigation and other reporting requirements, insurance, payment of taxes, employee benefits and (subject to certain limitations) causing Novelis Inc.'s subsidiaries to pledge collateral and guaranty Novelis Inc.'s obligations. The senior secured credit facilities also include various customary negative covenants and events of default, including limitations on Novelis Inc.'s ability to (1) make certain restricted payments, (2) incur additional indebtedness, (3) sell certain assets, (4) enter into sale and leaseback transactions, (5) make investments, loans and advances, (6) pay dividends or returns of capital and distributions beyond certain amounts, (7) engage in mergers, amalgamations or consolidations, (8) engage in certain transactions with affiliates, and (9) prepay certain indebtedness. The senior secured credit facilities include a cross-default provision under which lenders could accelerate repayment of the loans if a payment or non-payment default arises under any other indebtedness with an aggregate principal amount of more than $100 million (or, in the case of the Term Loan Facility, under the ABL Revolver regardless of the amount outstanding). Substantially all of consolidated Novelis Inc.'s assets are pledged as collateral under the senior secured credit facilities. As of March 31, 2015, Novelis Inc. was in compliance with the covenants in the Term Loan Facility and ABL Revolver.

In June 2015, Novelis Inc. amended its Term Loan Facility to increase the principal to $1.8 billion and extend the final maturity to June 2, 2022; provided that, in the event that any series of Novelis Inc.'s senior unsecured notes remain outstanding 92 days prior to its maturity date, then the Term Loan Facility will mature on such date, subject to limited exceptions. The amended Term Loan Facility accrues interest at the higher of LIBOR and 0.75% plus a 3.25% spread. We have issued guarantees on behalf of Novelis Inc. on the new amended Term Loan Facility.

In addition, in June 2015, Novelis Inc. entered into a new $200 million Junior Lien Revolver, which matures in September 2016. The Junior Lien Revolver accrues interest at LIBOR plus a spread of 3.25% to 3.50%, as specified in the agreement. We have issued guarantees on behalf of Novelis Inc. on the Junior Lien Revolver.

1. BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Recently Adopted Accounting Standards

Effective for the first quarter of fiscal 2015, we adopted Financial Accounting Standards Board ASU No. 2013-11, *Income Taxes (Topic 740): Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists.* The amendments in this update provide guidance on the presentation of unrecognized tax benefits and will better reflect the manner in which an entity would settle, at the reporting date, any additional income taxes that would result from the disallowance of a tax position when net operating loss carryforwards, similar tax losses, or tax credit carryforwards exist. The adoption of this standard had an insignificant impact on our financial position.

2. RELATED PARTY TRANSACTIONS

Included in the accompanying financial statements are transactions and balances arising from business we conduct with subsidiaries of our indirect parent, Novelis Inc., which we classify as related party transactions and balances. The following table describes the year end account balances that we had with these related parties, shown as related party balances in the accompanying balance sheet and statement of operations (in thousands).

	March 31,	
	2015	**2014 (Unaudited)**
Long–term loans receivable – related party (531,126 thousand Euros as of March 31, 2015 and 2014).	$ 570,908	$ 731,680

Long-term loans receivable – related parties consist of four loans due from Novelis Aluminum Holding Company (Ireland) with a maturity date of March 31, 2019 bearing interest at a rate of 8% per annum.

Below is the interest income related to the loans:

	March 31,	
	2015	**2014 (Unaudited)**
Interest income – related party	$ 54,108	$ 57,873

3. CURRENCY (GAINS) LOSSES

The following currency gains (losses) are included in accumulated other comprehensive income (loss) (in thousands).

	Year Ended March 31,	
	2015	**2014 (Unaudited)**
Cumulative currency translation adjustment — beginning of period	$ 21,484	$ (28,203)
Effect of changes in exchange rates	(160,772)	49,687
Cumulative currency translation adjustment — end of period	$ (139,288)	$ 21,484

4. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The following table summarizes the change in the components of accumulated other comprehensive income (loss), for the periods presented (in thousands).

	Currency Translation	Total
Balance as of March 31, 2013 (Unaudited)	$ (28,203)	$ (28,203)
Other comprehensive income (loss) before reclassifications	49,687	49,687
Amounts reclassified from AOCI	-	-
Net change in other comprehensive income (loss)	49,687	49,687
Balance as of March 31, 2014 (Unaudited)	21,484	21,484
Other comprehensive income (loss) before reclassifications	(160,772)	(160,772)
Amounts reclassified from AOCI	-	-
Net change in other comprehensive (loss) income	(160,772)	(160,772)
Balance as of March 31, 2015	$ (139,288)	$ (139,288)

5. INCOME TAXES

We used the benefits-for-loss method of tax allocation so that net operating losses are characterized as realized (or realizable).

We are subject to Canadian and local income taxes. The domestic (Canada) components of our "Income before income taxes" are as follows (in thousands).

	Year Ended March 31,	
	2015	**2014 (Unaudited)**
Domestic (Canada)	$ 52,945	$ 59,554
Pre-tax income	$ 52,945	$ 59,554

The components of the "Income tax provision" are as follows (in thousands).

	Year Ended March 31,	
	2015	**2014 (Unaudited)**
Current provision:		
Domestic (Canada)	**$ -**	**$ -**
Total current	-	-
Deferred provision:		
Domestic (Canada)	-	-
Total deferred	-	-
Income tax provision	**$ -**	**$ -**

Deferred Income Taxes

Deferred income taxes recognize the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the carrying amounts used for income tax purposes, and the impact of available net operating loss (NOL) and tax credit carryforwards. These items are stated at the enacted tax rates that are expected to be in effect when taxes are actually paid or recovered.

Delaware LLC is single member LLC, treated as a disregarded entity for U.S. Federal Income tax purposes. As a result, the company does not file a separate tax return and therefore has no income tax payable or deferred income taxes to record.