Hindalco Industries Limited

Performance Review

Consolidated 2007-08

Presentation to the Investors

20th June'08

The Big Picture - Backdrop & Highlights

Business Performance – Standalone Hindalco

Consolidated Hindalco – An Overview

Hindalco: Impressive Growth

	FY 00	FY 08	CAGR
Sales $Bn	0.47	14.8	64%
EBIDTA $Bn	0.25	1.8	33%
PAT $Bn	0.15	0.6	22%
Capital employed $ Bn	1.00	14.1	46%
Business Segments	1	2	
Plants	2	46	
Countries	1	13	

Spread Across 5 continents

Hindalco Growth Path 2000-2008

Copper business acquisition and expansion to 250,000 tpa

Acquisition of Nifty & Mt. Gordon Copper Mines

Increase stake in Utkal from 20% to 55%. Further increased to 100% in 2007.

JV agreement signed with Almex for aerospace alloys

Acquisition of Novelis

2000 2001 2002 2003 2004 2005 2006 2007 2008

Majority stake in Indal through largest all-cash acquisition in India

Aluminium Expansion at Renukoot to 342,000 tpa, Hirakud to 65,000 tpa

Doubling of copper capacity to 500,000 tpa

Listing of Aditya Birla Minerals Ltd. on Australia Stock Exchange in May 2006 raising AUD 299 million

Doubling of Hirakud Smelter capacity to 143,000 tpa

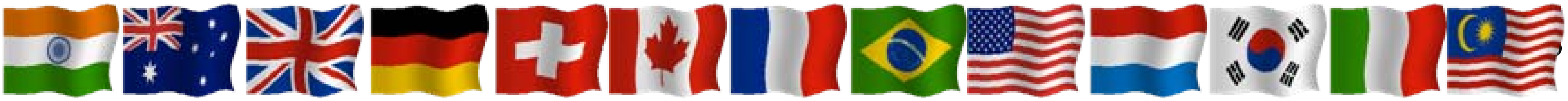
Alumina Expansion at Muri

- Expansion
- Acquisition
- Others

Hindalco: Global Non Ferrous Metals Company

	Copper	Aluminium
3 years ago A Bluechip Indian Company	India: One of the largest single location Smelters with integrated port facilities located at Dahej, Gujarat.	India: India's largest aluminium producer having low cost upstream operations with power / coal backup, and strategically located downstream units close to the markets. Pursuing several exciting upstream projects.
Now A Key Global Player	Australia: In 2005, Hindalco acquired and put into operation copper mines at Nifty and Mt. Gordon. The Australian subsidiary, ABML is the first Indian Company to be listed on the ASX.	Novelis: In May 2007, Hindalco completed the acquisition of Novelis - an acquisition so significant, it still engages headline writers. Novelis has manufacturing presence in 4 continents and has marketing presence worldwide.

A Multinational Company with over 33,000 employees with 15 Nationalities

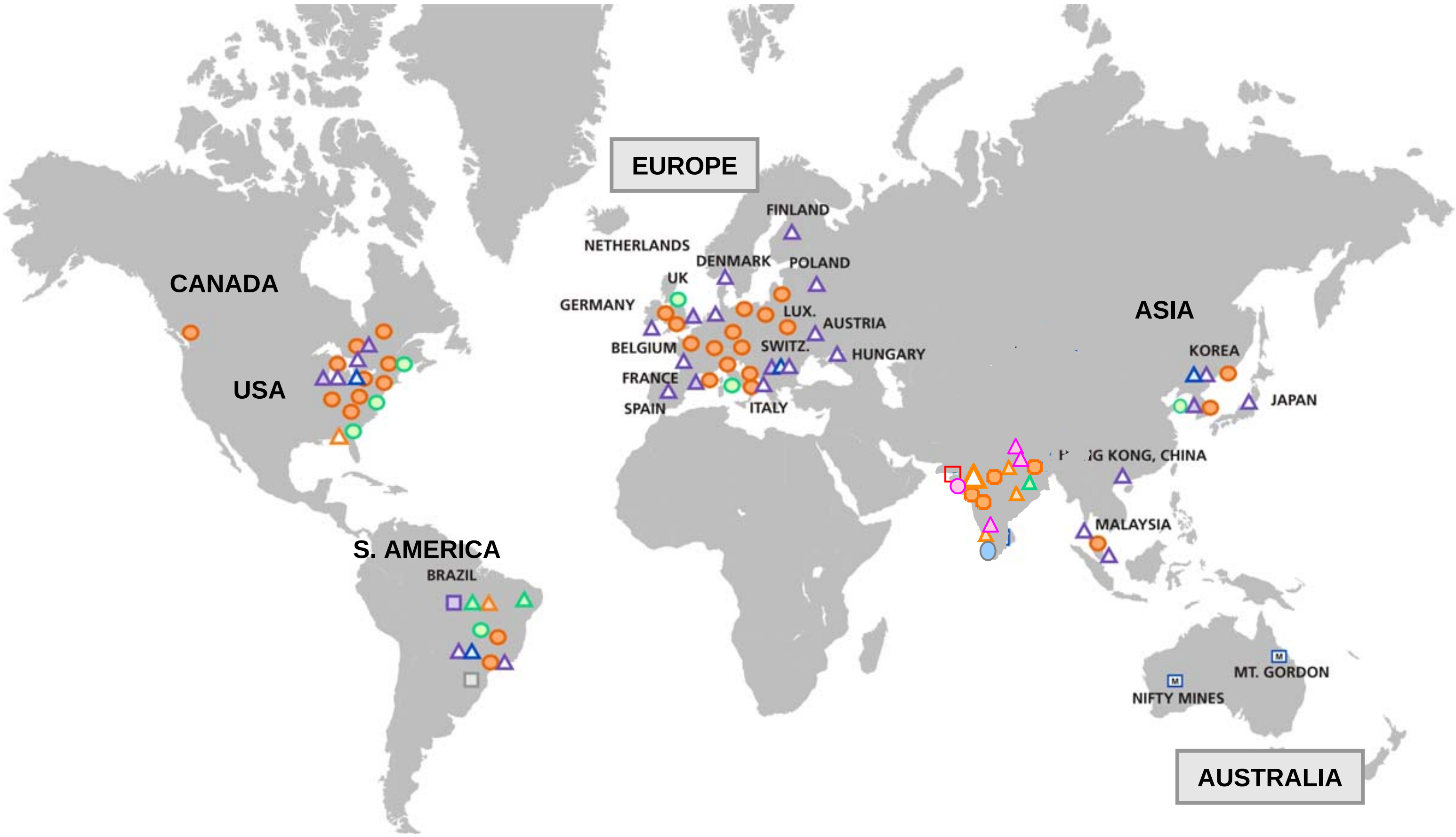


Consolidated Hindalco: Dimensions

Number Of Entities

	FY 07	FY 08
Subsidiaries	18	57
Associates	01	06
Joint Ventures	02	02

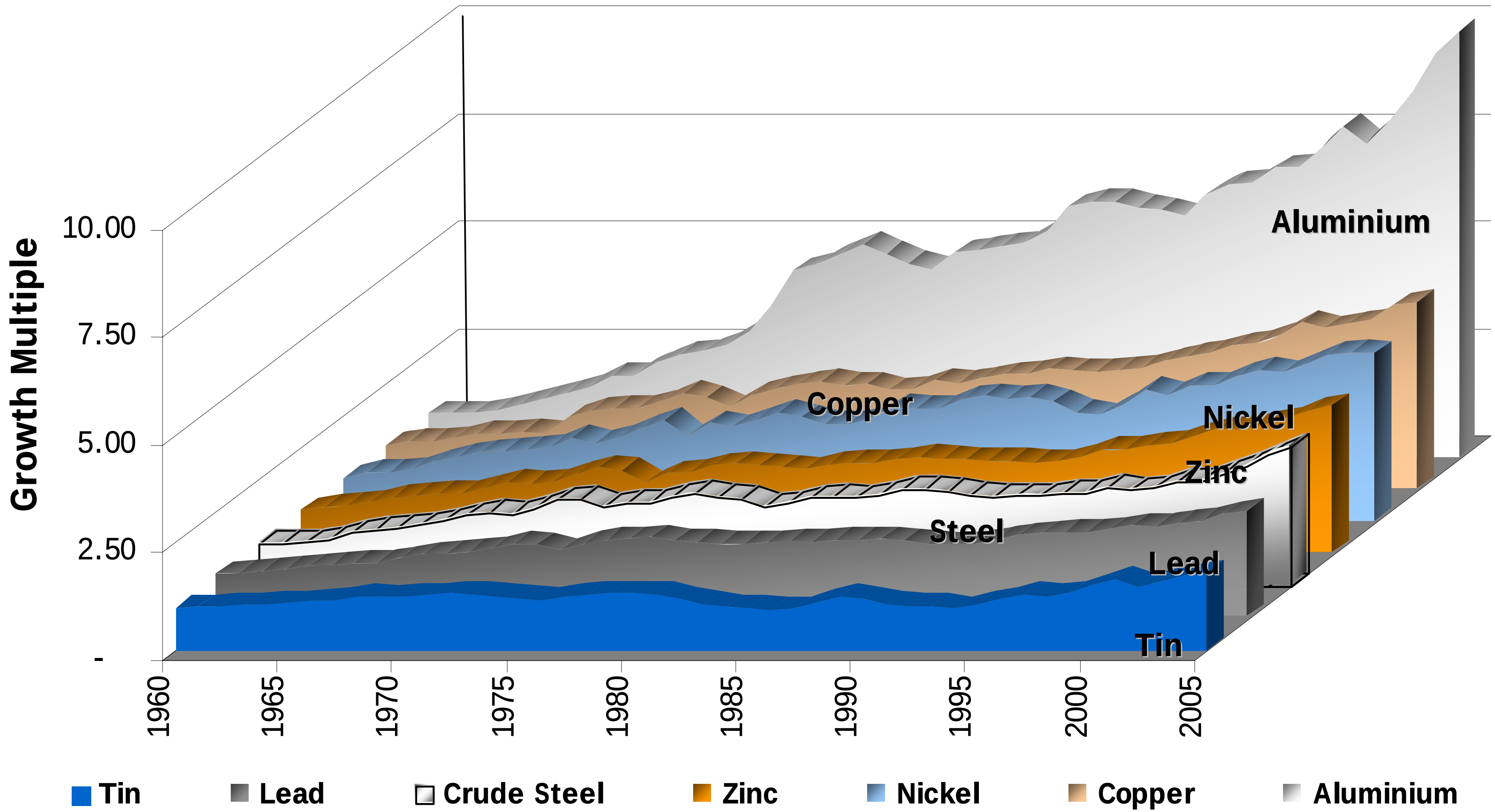
46 Operations in 13 countries



Locations

- Bauxite
- Alumina
- Primary
- Rolled Products
- Extrusion
- Recycling
- Wheels
- Power
- Coke
- Regional Office
- Executive Office
- Sales Center
- Research and Development
- Copper Mines
- Copper Smelter

Consolidating position in two of the fastest growing metals in the world



Global Portfolio:FY07 VS FY08 Operational Performance

Higher Production Volumes

Volume Growth in	Volume Growth in	Volume Growth in
Aluminium Metal	**Aluminium FRP**	**Aluminium Extrn.**
↗ **31%**	↗ **1429%**	↗ **13%**

Volume Growth in	Volume Growth in	Volume Growth in
Copper Cathodes	**Copper Concentrate**	**CC Rods**
↗ **12%**	↗ **74%**	↗ **28%**

Consolidated Financial Highlights

Results	FY 2006-07 (Rs. Crores)	FY 2007-08 (Rs. Crores)	FY 2006-07 (Bn US$)	FY 2007-08 (Bn US$)
Net Sales	19,316	60,013	4.2	14.8
EBITDA	4,840	7,291	1.1	1.8
EBIT	3,975	4,835	0.9	1.2
Profit before Tax	3,662	2,986	0.8	0.7
Net Profit	2,686	2,387	0.6	0.6
Capital Employed	23,285	56,266	5.4	14.1
Net Worth	12,814	17,346	2.9	4.3

Towards Sustainable Predictable Growth

2007

- India centric Operations
- Globally cost Competitive due to secured key inputs
- Presence in upstream predominantly commodity segment

2015

- Global scale of Operations
- High Value added Products
- Marquee Customer base
- Multi location, Proximity to Customers
- Advanced Technology

Sustainable Future

De-risked Operations owing to

- Presence in multiple geographies
- Costs and revenues in different currencies
- Presence across the value chain

Hindalco Cost Advantage & Novelis Technology & customer base, offers Enormous growth potential especially In emerging markets.

Recycled aluminium an important growth segment going forward with Rising power costs and scarcity of Raw material.
Growth in both primary as well as recycled aluminium segment

Novelis: Significant EBITDA & Free cash Flow improvement

	FY07	FY08	Change
Normalised EBITDA ($Mn)	303	491	62%

Free cash Flows improved by $ 164 Mn

Driven By……..

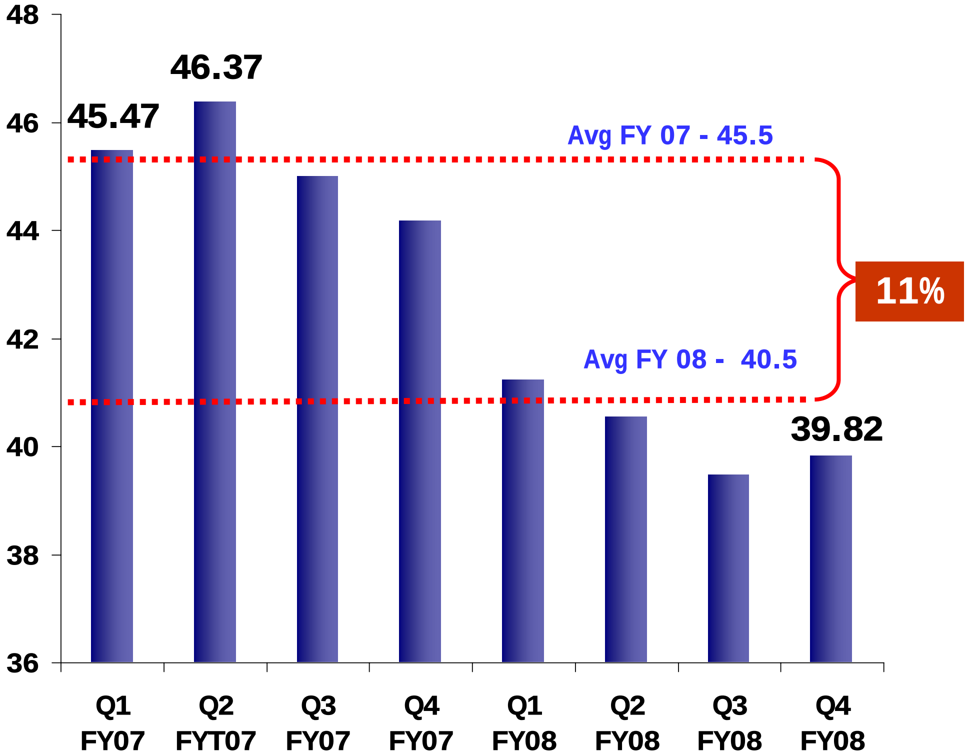
- ***Reduced price ceiling exposure***
- ***Product Mix & Price Gains***
- ***Volume improvements***
- *WC management*

Hindalco Standalone Overview

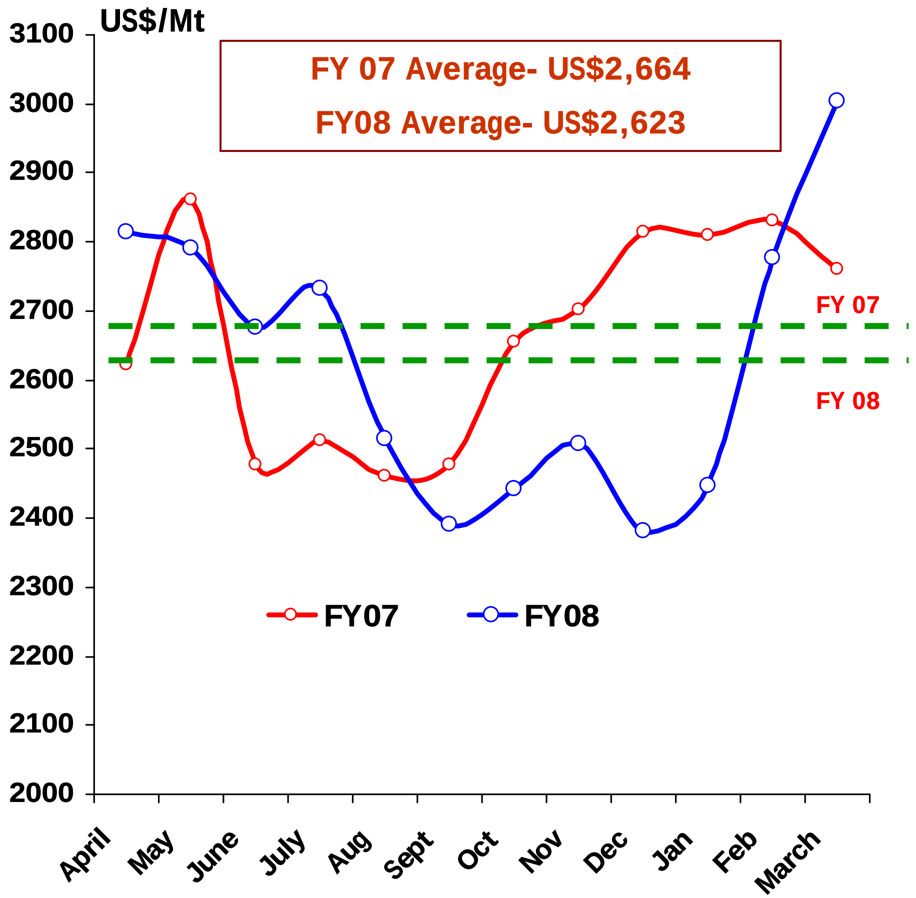
Backdrop : FY08, a Challenging year

Adverse Global Macro economic factors

Sharp appreciation of INR Vs USD



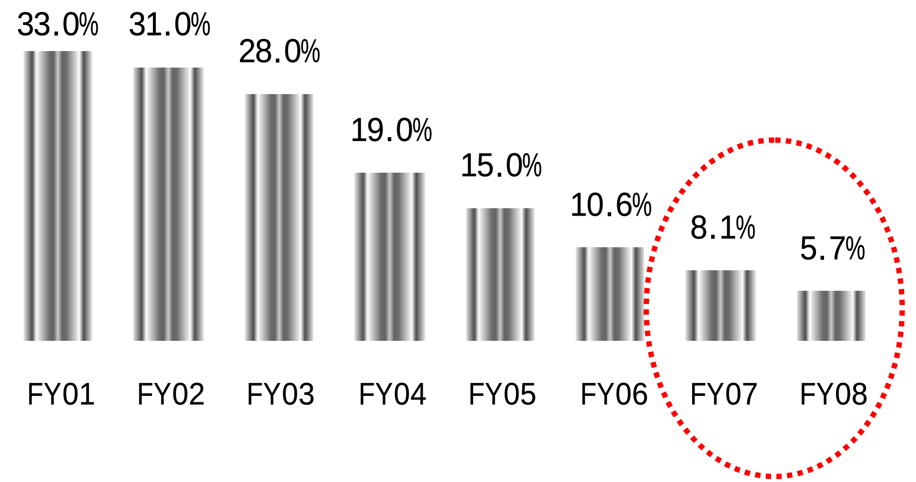
Average Al LME lower than last year



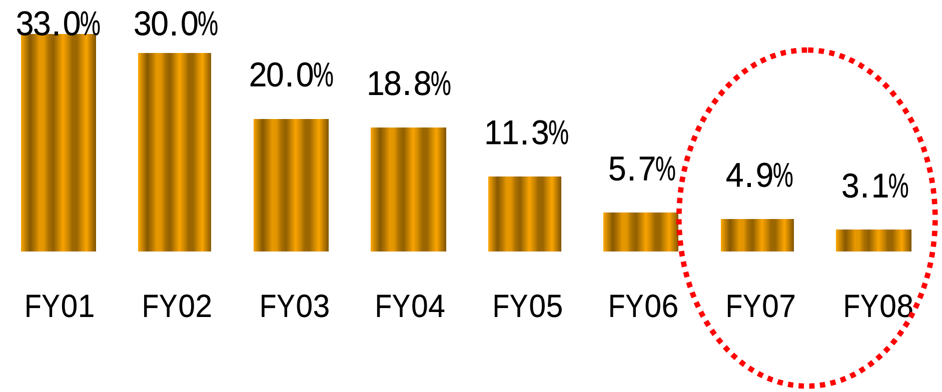
Adversities On Domestic Front Too......

- Reduced Import duty differential
  - o Aluminium Customs duty down from 8.08% to 5.72%
    - **Annual Impact- Rs.109 Cr**
  - o Copper duty differential down from 4.9 % to 3.1 %.
    - **Annual Impact- Rs.57 Cr**

Aluminium import duty

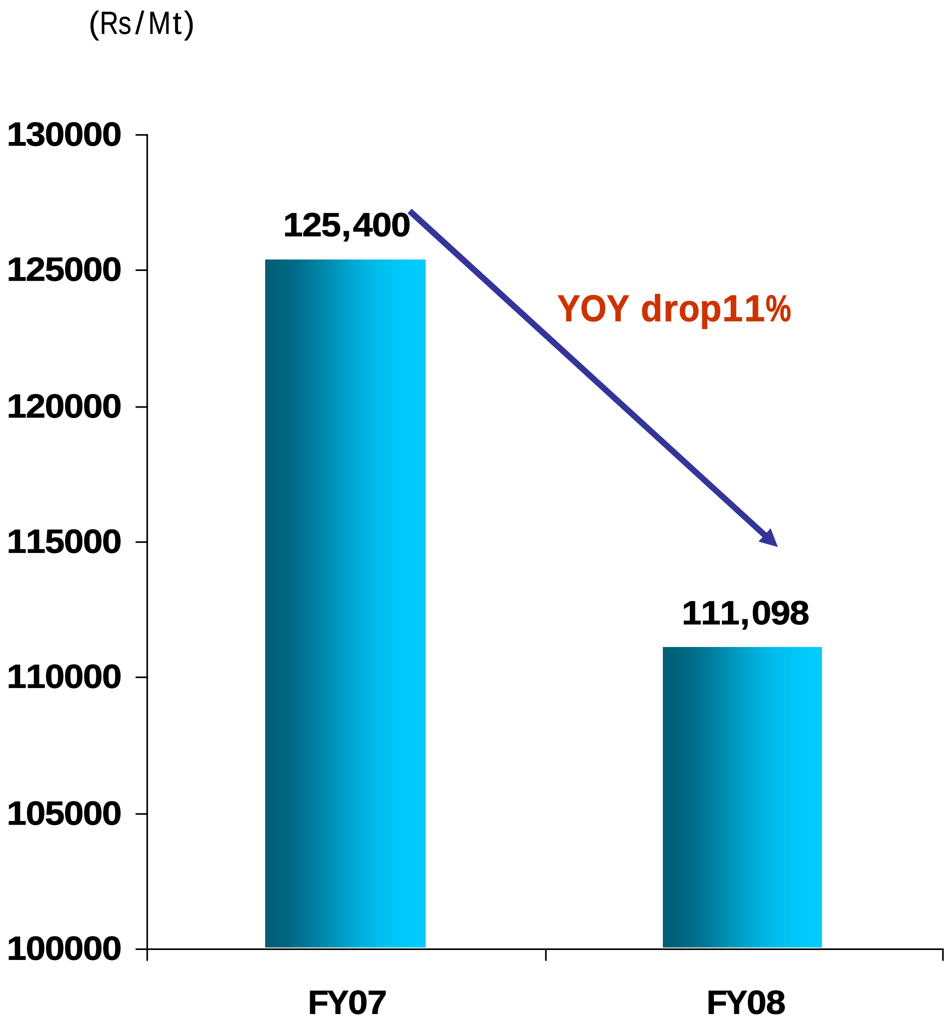


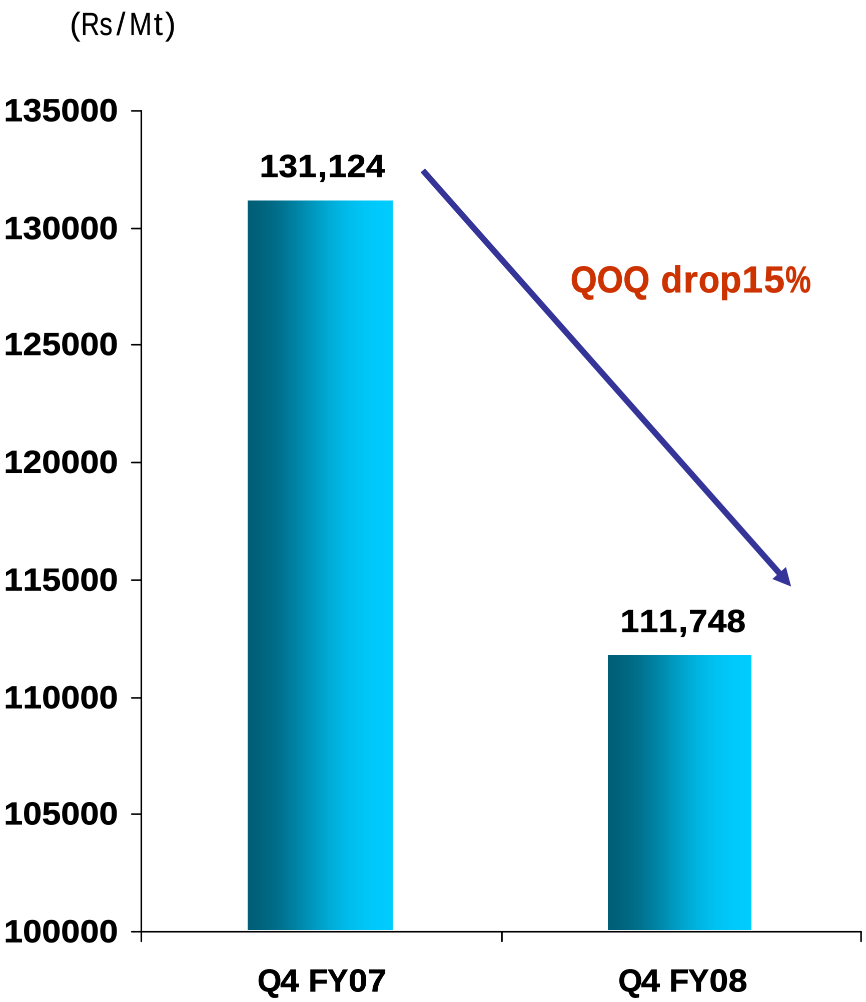
Copper Duty Differential



Impact Of Adverse Macroeconomic Trends

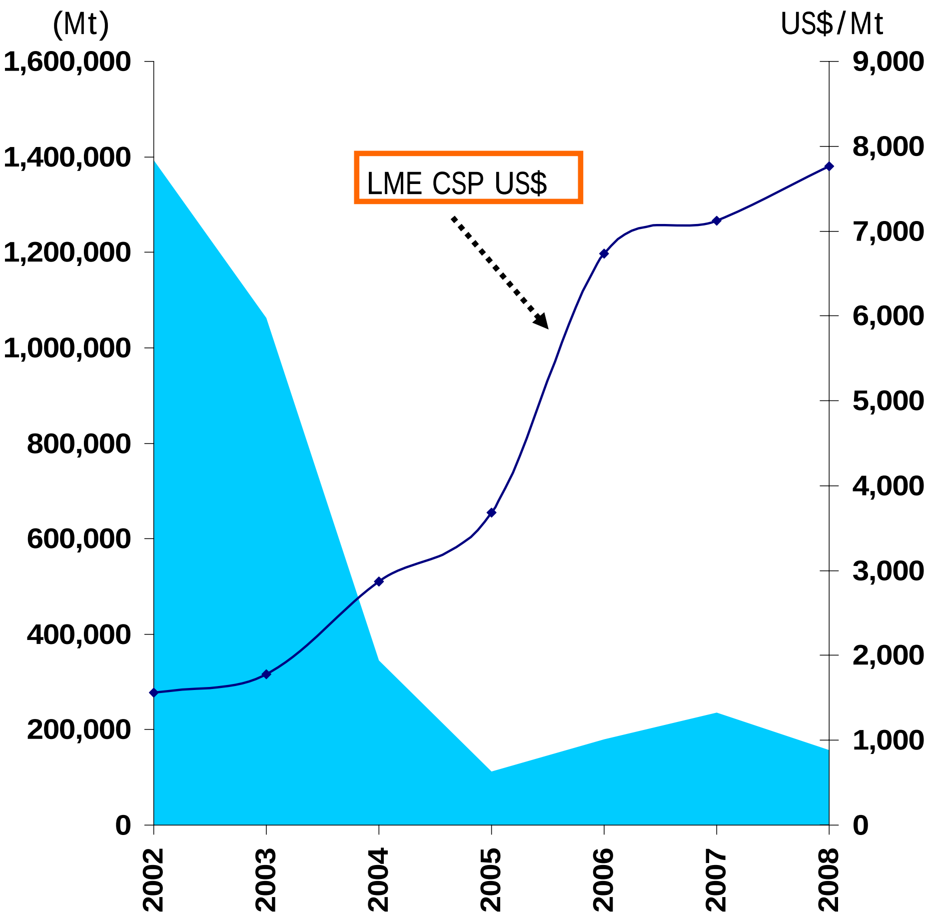
Sharp fall in Aluminium Realisation





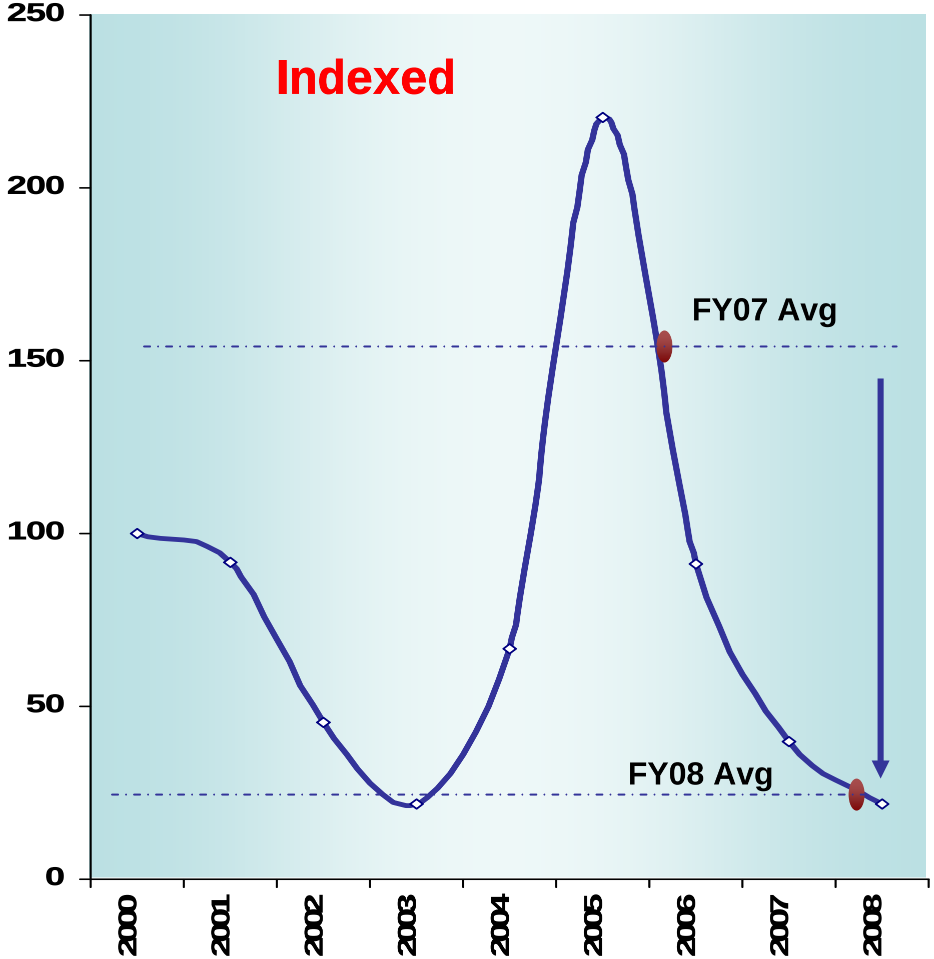
Copper- Strong Demand & Prices

Copper LME continues to be strong with falling stock



* 2008 LME figures is Till March'08

Weakening spot TC/RC

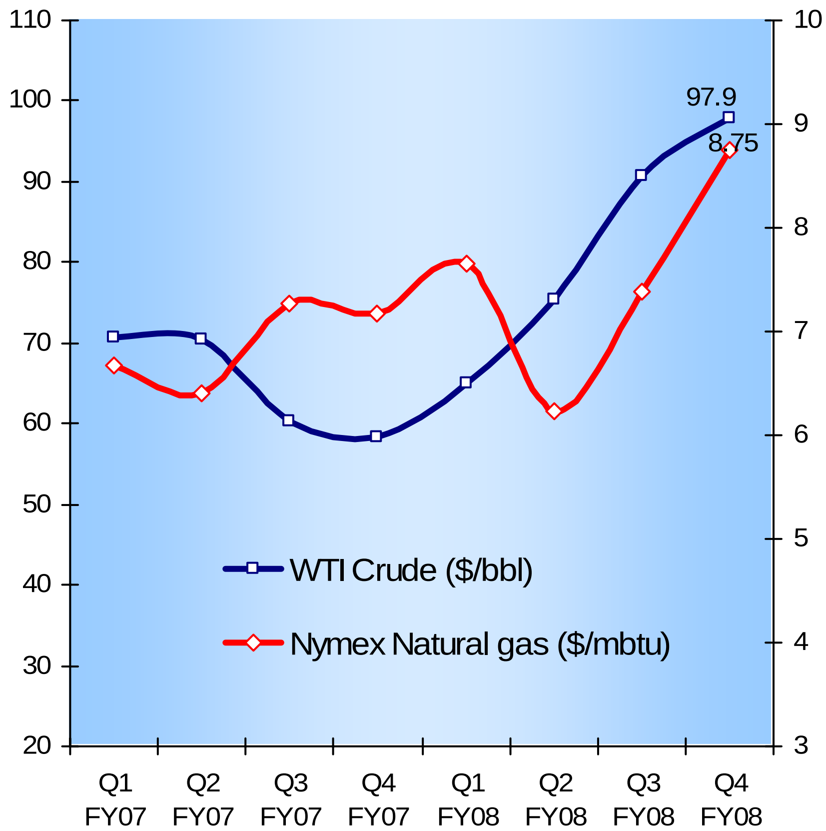


But little to cheer for Custom smelters as TC/RC remained subdued.

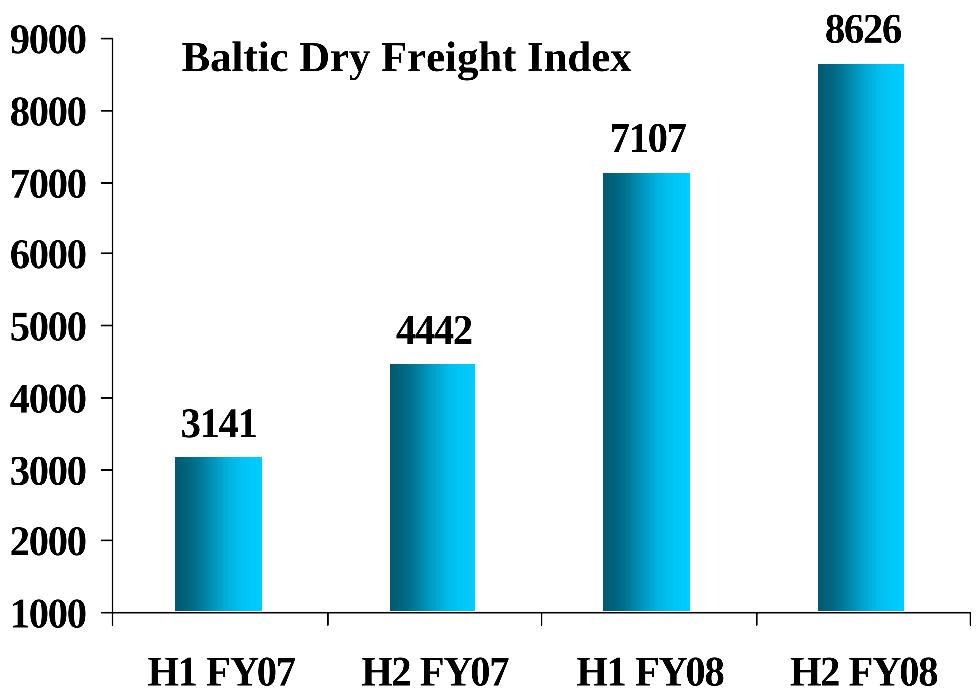
Backdrop : FY08, a Challenging year

Incessant Cost Push

Energy prices reached all time highs



Surging Freight costs



Performance Overview:

The following steps had already been taken which helped in mitigating the adverse macro economic impact

- **Aluminium**
  - *Brownfield expansion:*
    - **Timely progress of Hirakud expansion led to incremental production growth of 35% compared to FY07**
  - *De-bottlenecking smelter assets*
    - **At Renukoot- Metal production enhanced by more than 9,200 Mt**
  - *Continued sweating of assets in downstream businesses resulting in*
    - **Higher value added downstream production (FRP up 2%,extrusion up 13%)**
  - *Focus on improving markup of value added products*
    - **FRP-exports net markup grew by 7% & Extrusion exports net markup grew by 28% during FY08 through improved product mix and better premium.**
    - **Domestic markups also improved for FRP (3%) as well as Extrusions (16%)**

Performance Overview continued…..

- **Copper**
  - *Improved operating efficiency*
    - **Cathode production increased by 12% to 324KT (19% growth excluding production from Cu II in FY07)**
    - **Continuous Cast Rod production rose by 28% to 140KT**
    - **Conversion costs improved significantly**
  - *Improved geographic & product mix*
    - **More sales in domestic markets (up 37%)**
    - **Increased Continuous Cast Rod Sales (up 27%)**
- **Alumina**
    - **More sale of Specials in domestic market (52% of total sales as against 49% during FY07)**

Operations: FY 2008 at a Glance

- Highest ever Aluminium production at 477,726 T — 8%
- Highest ever FRP production at 215,198 T — 2%
- Highest ever Extrusion Production at 43,315 T — 13%
- Highest ever Copper cathode Production at 323,883 T — 12%

  19% growth excluding Cu II production in FY 07
- Highest ever Copper CC rod production at 139,833 T — 28%
- Improved Copper conversion cost — 24%

  Without by-product credit

Vs FY 2007

All round improvement in Operating performance

Hindalco Stand-alone Financials: Recap FY08 VS. FY07

(Rs. Cr)				(Mn US$)		
FY07	FY08	Change %		FY07	FY08	Change %
18,313	19,201	5%	Net Sales & Op revenues	4025	4741	18%
4,385	3,894	-11%	EBIDTA	964	961	-
3505	3026	-14%	PBT	770	747	-3%
2564	2320	-10%	PAT (before tax write backs)	564	573	2%
2564	2861	12%	PAT (after tax write backs)	564	706	25%
25.5	24.5	-4%	Basic EPS	0.56	0.60	7%

HINDALCO

Aluminium Business

ADITYA BIRLA GROUP

Aluminium Performance affected due to 11% drop in metal realisation & sharp increase in input costs.

Aluminium

(Rs.Cr) (Mn US$)

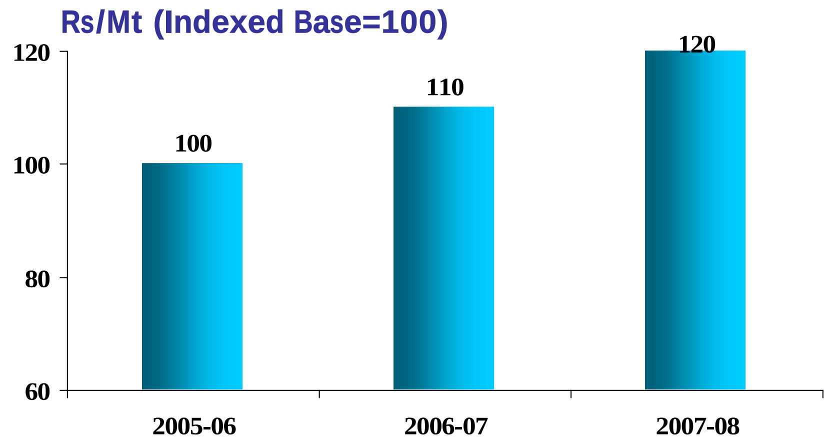
FY 07	FY08	Change (%)		FY07	FY08	Change (%)
7,344	7,145	-3%	Net Sales & Operating Revenue	1,614	1,764	9%
2,929	2,423	-17%	EBIT	644	598	-7%

Note: As per SEBI Format

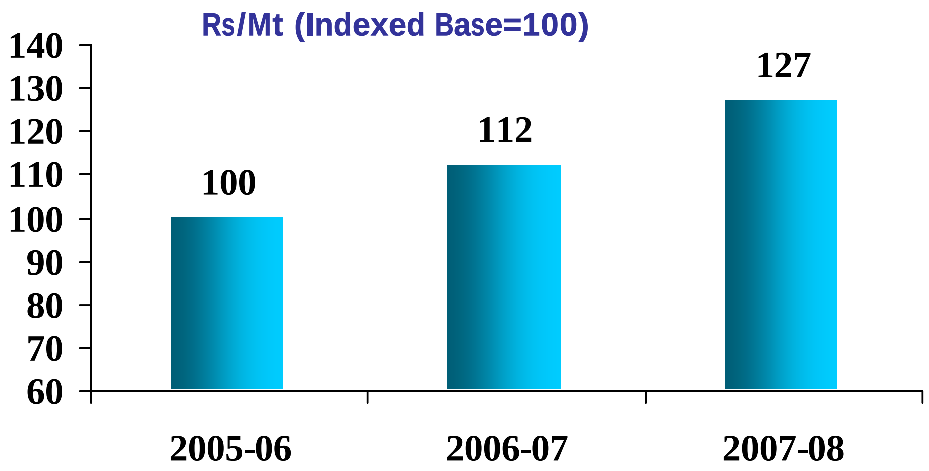
Cost escalations: Cost Push to Continue

Aluminium

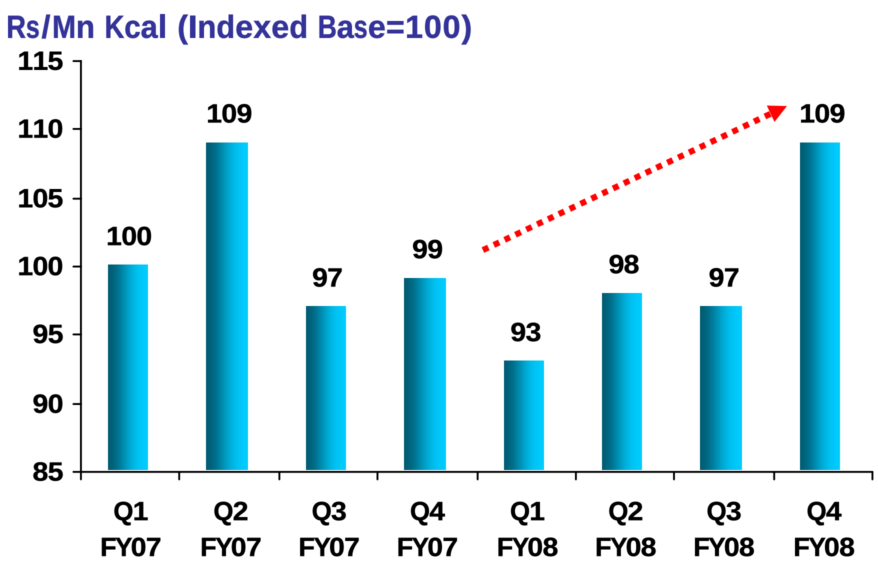
CP Coke Price at all time high



Fuel Oil Price at High Levels



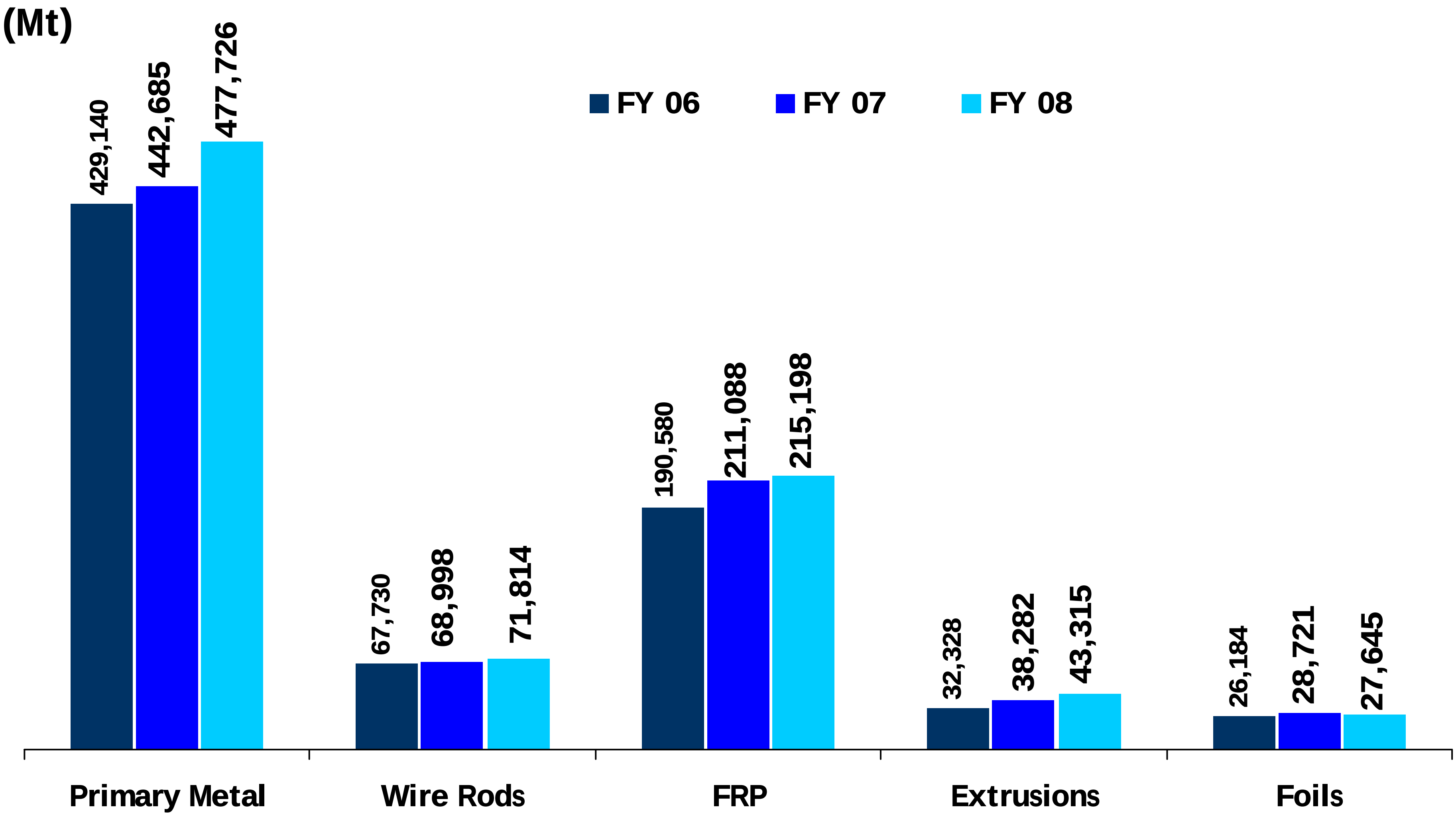
Coal price gone up by 10% from Q4 FY07.



- **Alloying element prices have moved up significantly**
- **Crude price increase is a major factor for most cost escalations**
  - *Higher crude derivative costs such as CP coke or Fuel oil*
  - *Higher freight costs*
  - *Higher alternate energy sources cost*

Adversity Mitigation: Consistent production growth

Aluminium

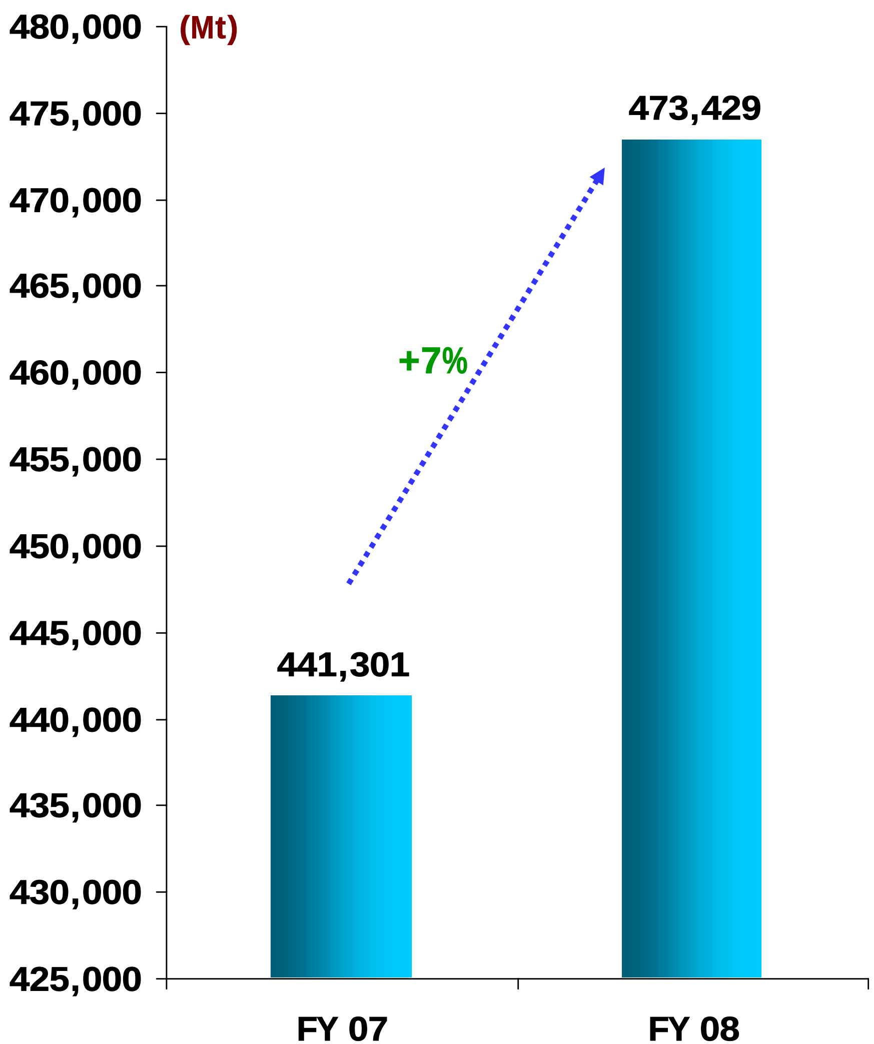


Source: Company Data

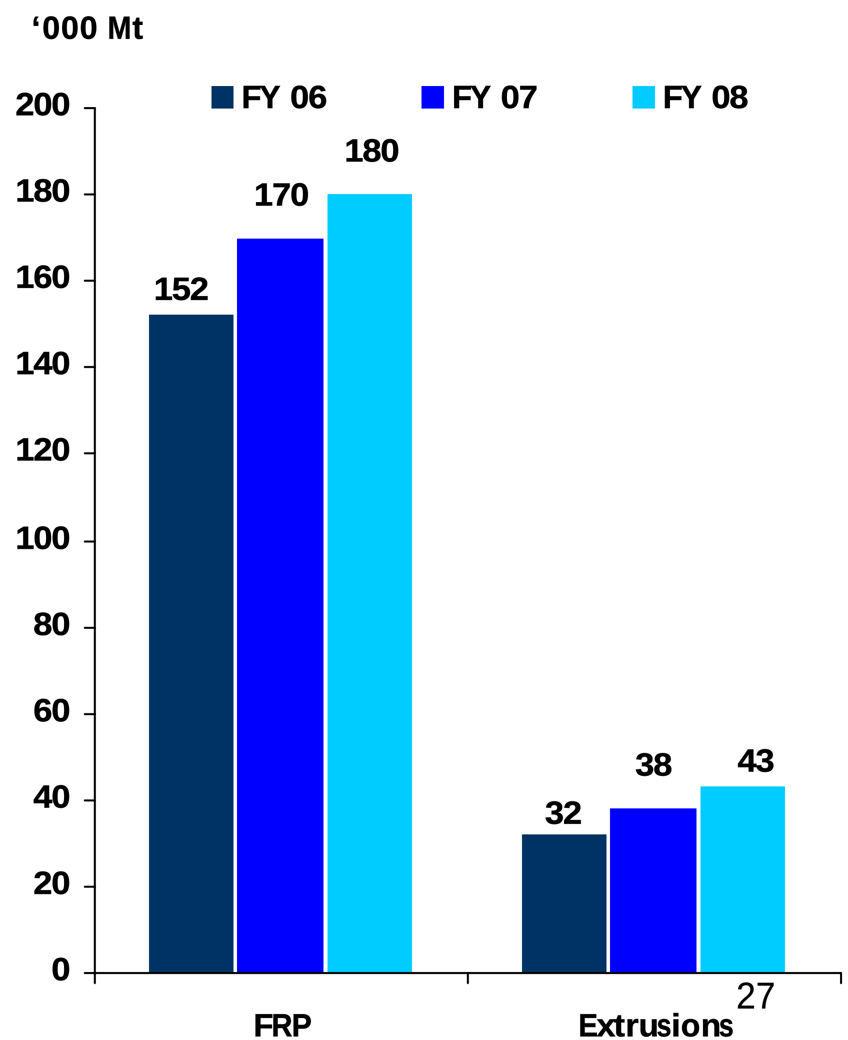
All round improvement in production

Adversity Mitigation: Maximising sales revenue through

Improved Aluminium sales volume …

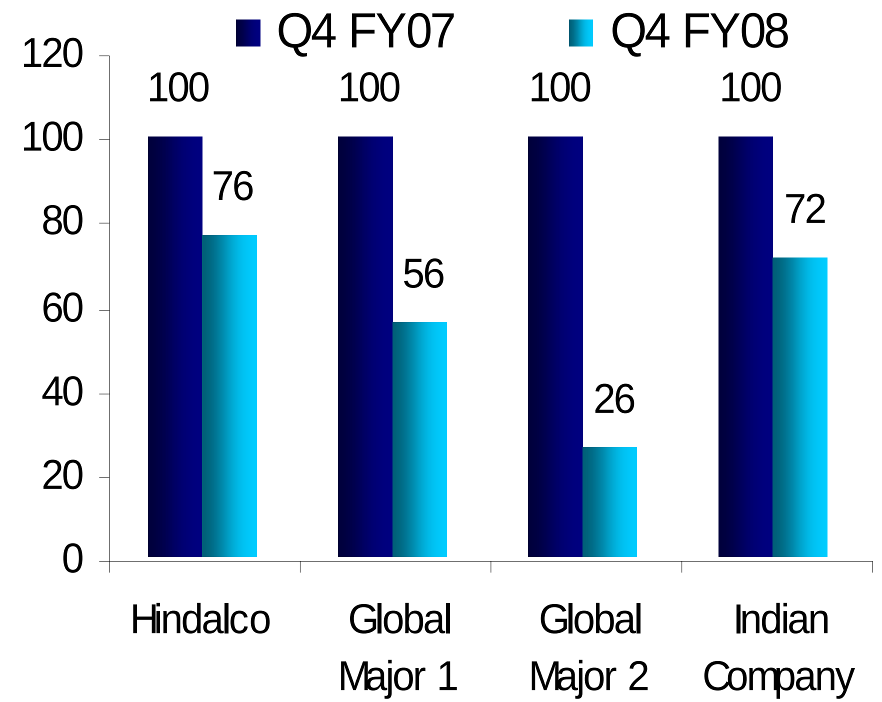


Consistent increase in value added sales volume



High input costs & adverse macro-economic factors are affecting even the global leaders; but our margins maintained

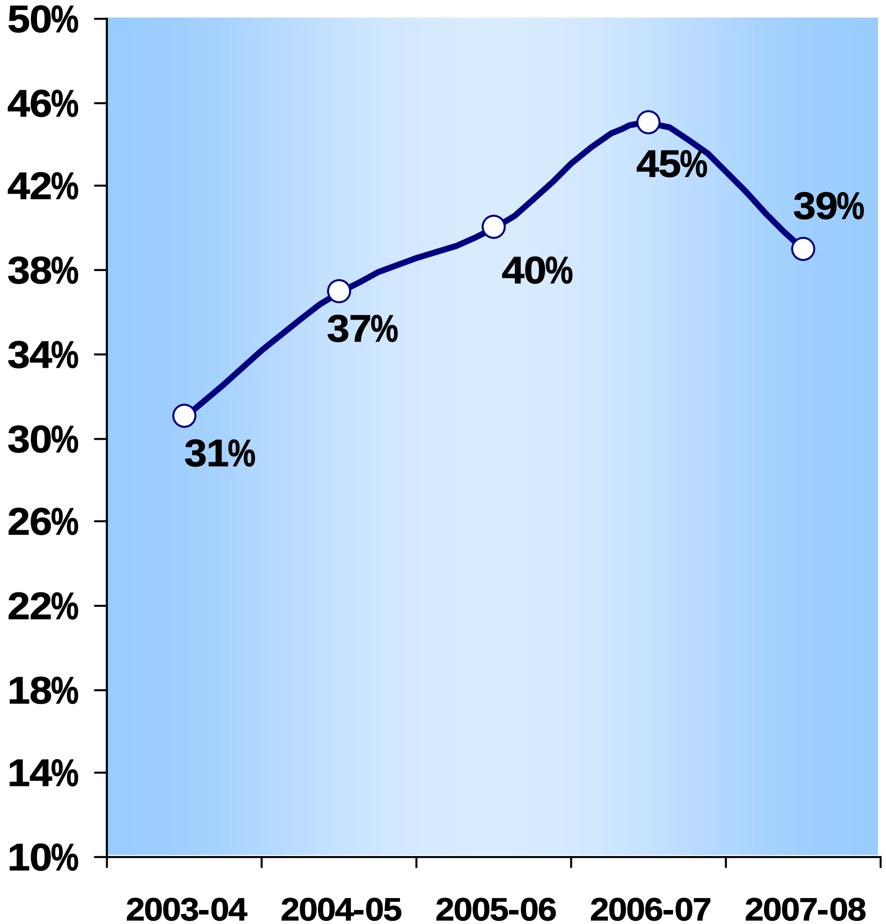
EBIT comparison



FY 07 Indexed: Base =100 (All currencies translated into US$)

EBIT as per SEBI format for Hindalco

EBIDTA Margin fall contained

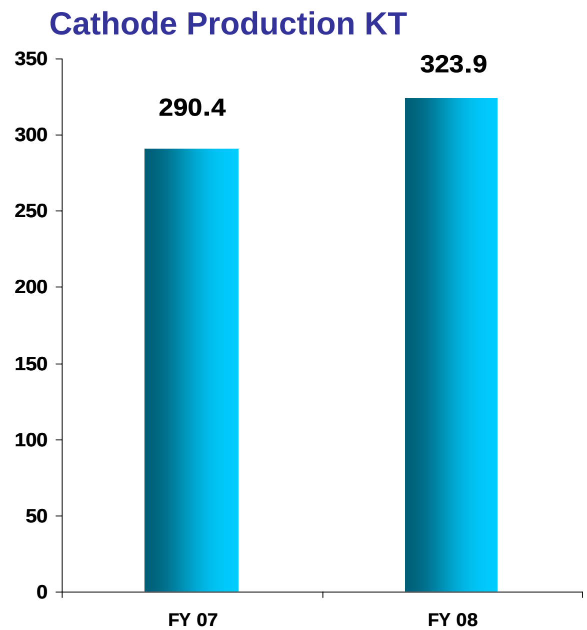


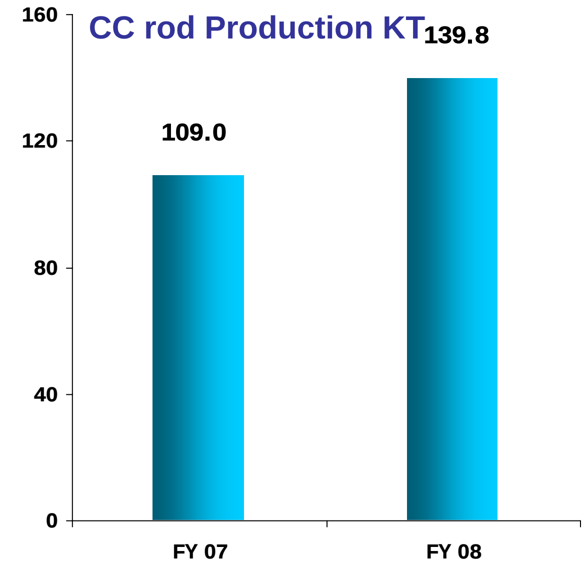
Copper Business

FY 08 key levers of performance ……….

Copper

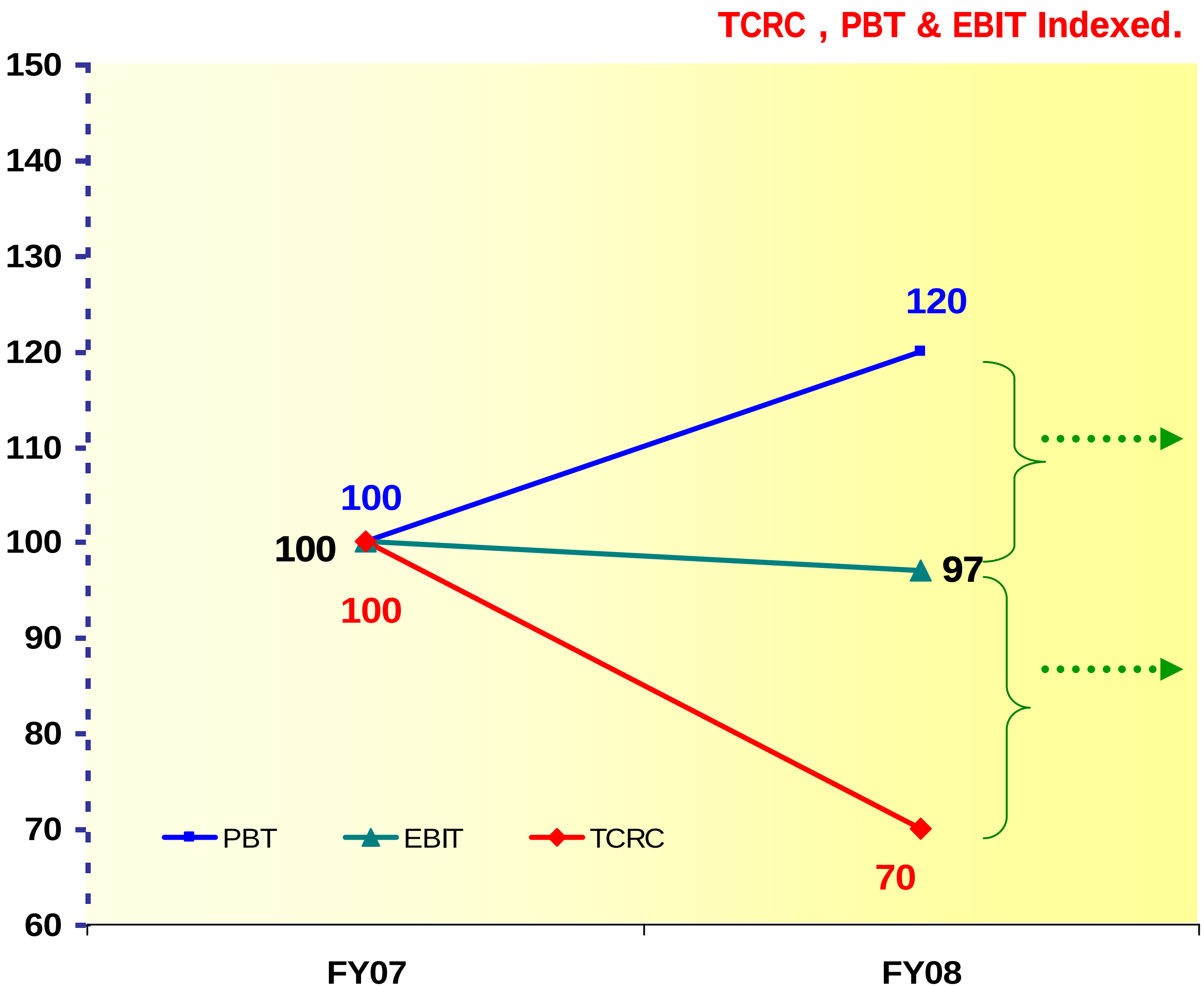
- **All round improvement in performance…**
  - *In FY 08, compared to FY 07*
    - *Cathode production increased by 12%*
    - *Continuous Cast Rod production rose by 28%*
    - *Sulphuric Acid production increased by 15 % to 1,023KT*
    - *Overall Copper sales volumes up 10 %, to 320KT*
- **Improved product & market mix (more domestic & CC rod) resulted in higher realizations**
- **Significantly higher by-product Realization as compared to FY07.**
- **Operating efficiency and Conversion cost improved.**





Improvement in bottom line in spite of drop in the TCRC

Copper



Reduction in finance cost by better working capital Management

Operational and by-product credits Improvements

Better working capital management , Operational efficiency & higher by product credit boosted the bottom line by 20% even though TCRC dropped by 30%

Copper Business performance

(Rs.Cr) ($ Mn)

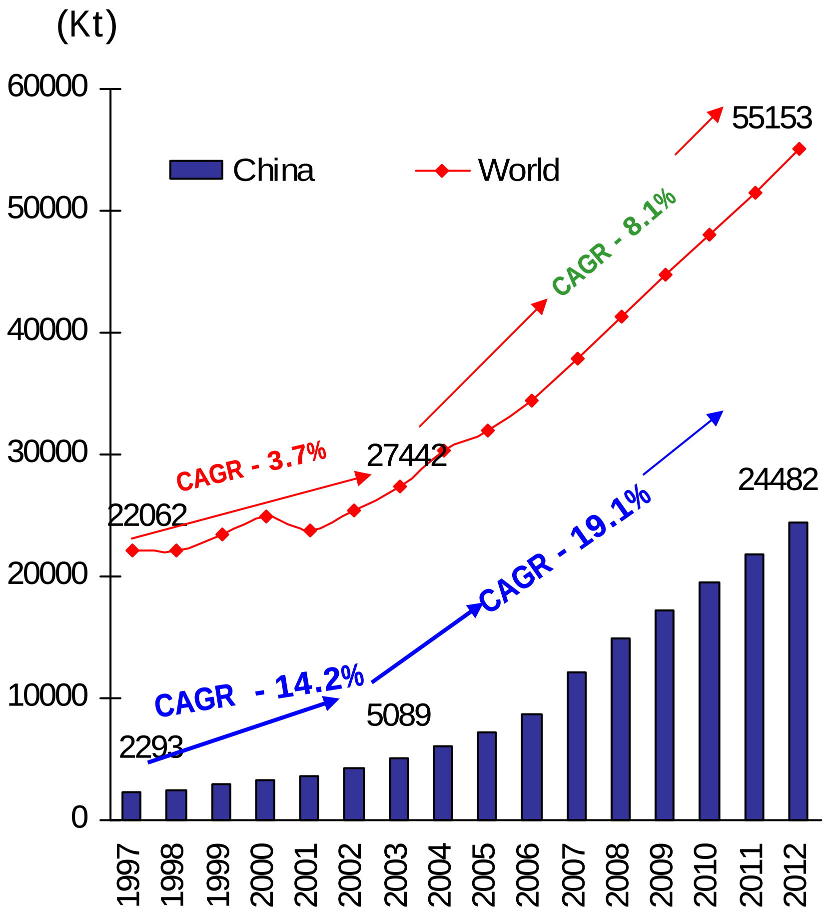
FY07	FY08	Change (%)		FY07	FY08	Change (%)
10,978	12,066	10%	Net Sales & Operating Revenue	2413	2979	23%
517	503	- 3%	EBIT	114	124	9%

Note: As per SEBI Format

Aluminium Outlook

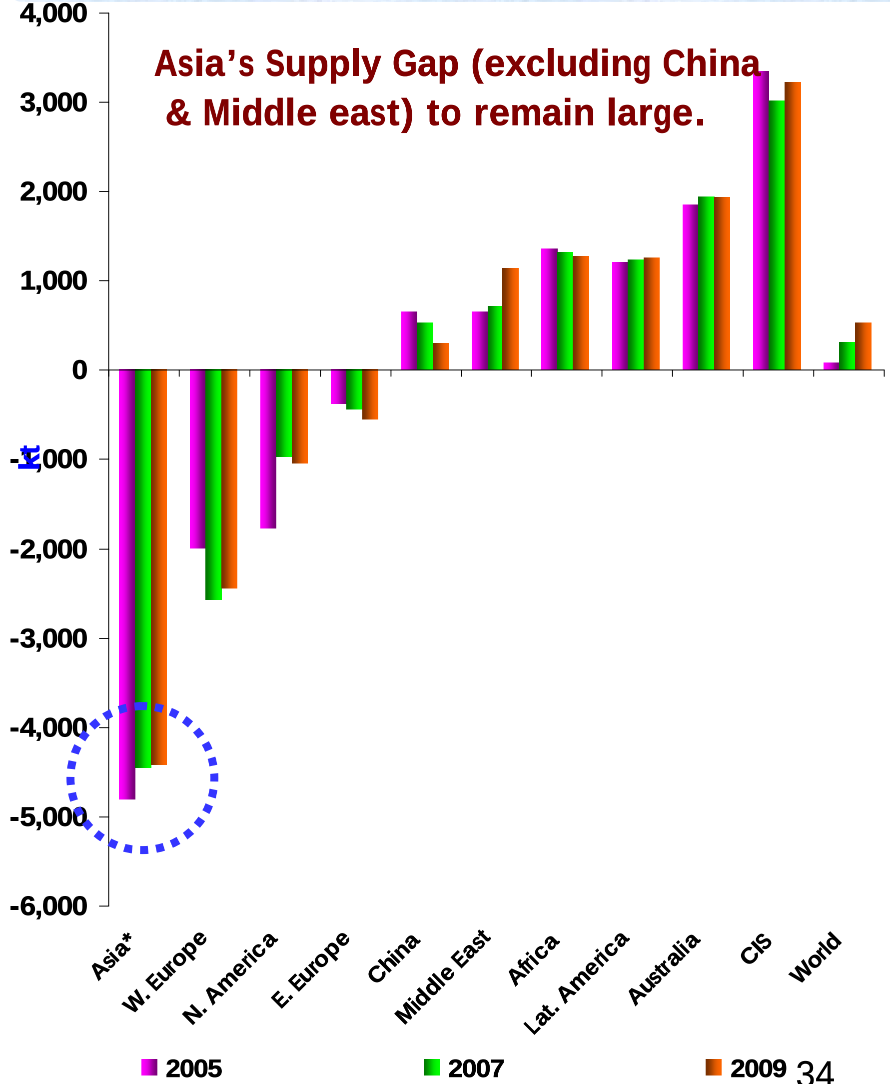
Aluminium demand expected to be robust.

World Aluminium consumption to grow sharply driven largely by China



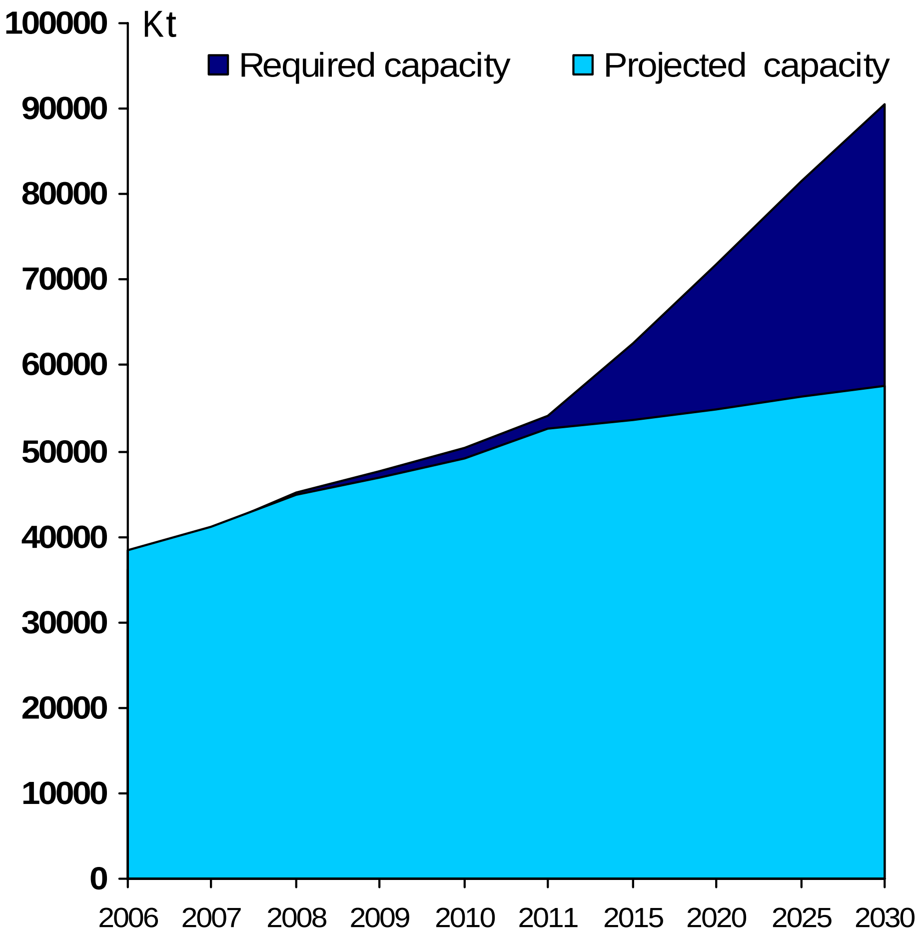
Source: CRU Long term Outlook -2007

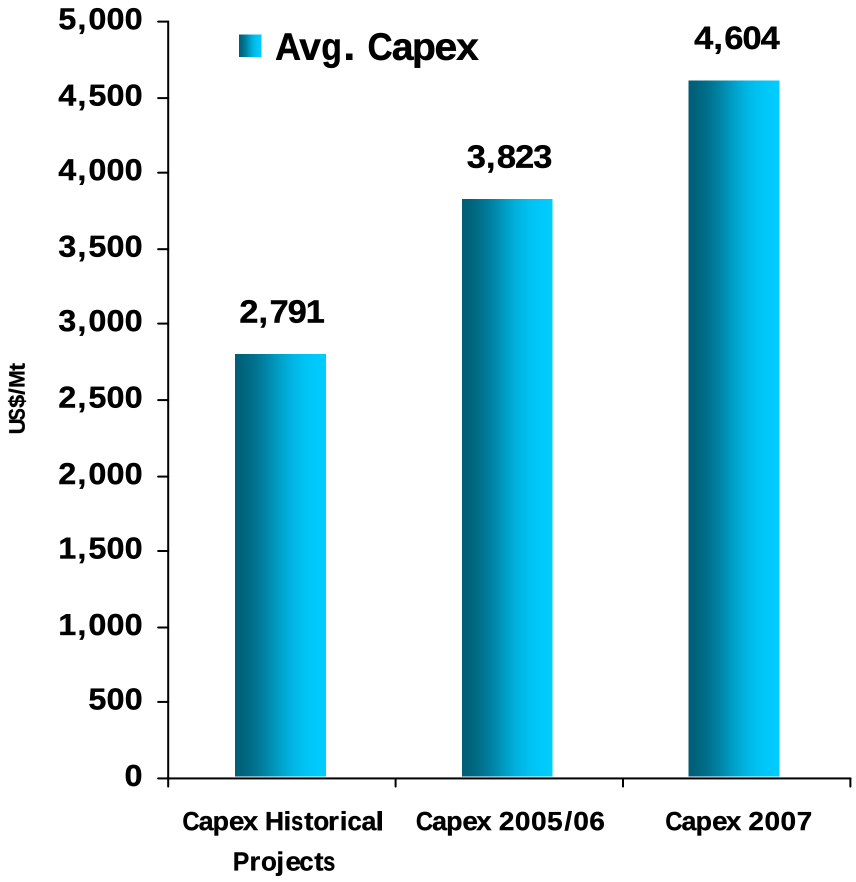
Regional Metal Imbalance to grow, leading to deficit in the relevant markets



Source: CRU April'08

Major investments required for the production to catch up with demand

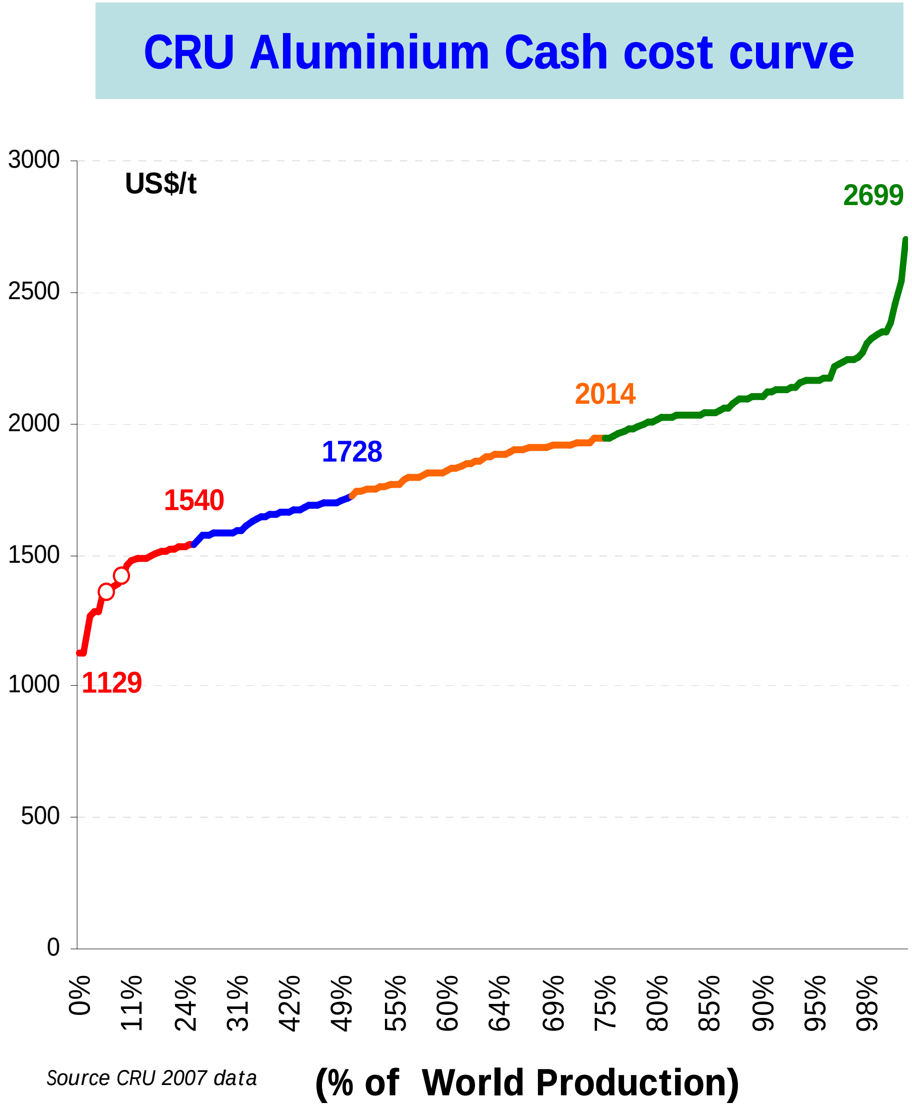




By 2010, ~ 1.1 Mn Tonnes additional smelting capacity needed to meet the world demand. The gap is expected to rise to 32.7 Mn tonnes by 2030.

Capex for new smelter construction to be significantly higher

Operating cost Increase to Keep the Prices Up



Source CRU 2007 data

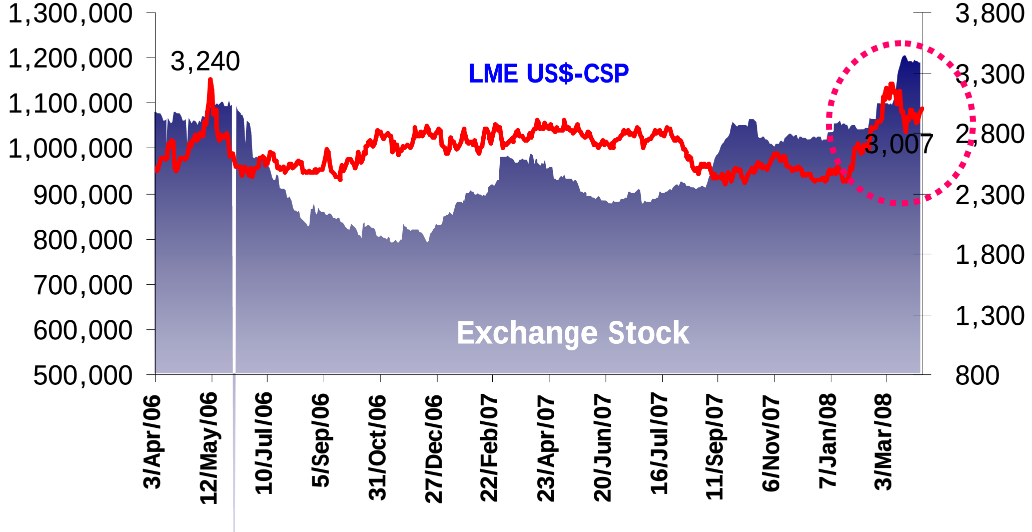
- **Last quartile of the cost between US$2,014 and US$2,700 in CY2007 as per CRU**
- **2008 will be even higher**
- **1/4th of the world capacity has to be shut down if the prices fall below US$2,000.**

Other Drivers influencing price

- **Power shortages: Almost a million tonne metal production was lost in last 12 months; of which Chinese smelters lost around 600,000 tonnes**
- **South African power supplier ESCOM is running short of power generating capacity and also facing issues with coal supplies**
    - *Around 10% production cut in Hillside, Bayside and Mozal smelters of total capacity of 1.5mn tonnes*
- **Production cut in Rio's smelter in New Zealand due to lower water level**
- **Power cuts in Tajikistan smelter & in Brazil**
- **Rising oil and coal prices**
- **Increasing interest by funds in the commodities on account of depressed equity markets following sub prime crisis.**
- **Rumors of increase in export tax on Aluminium in China**

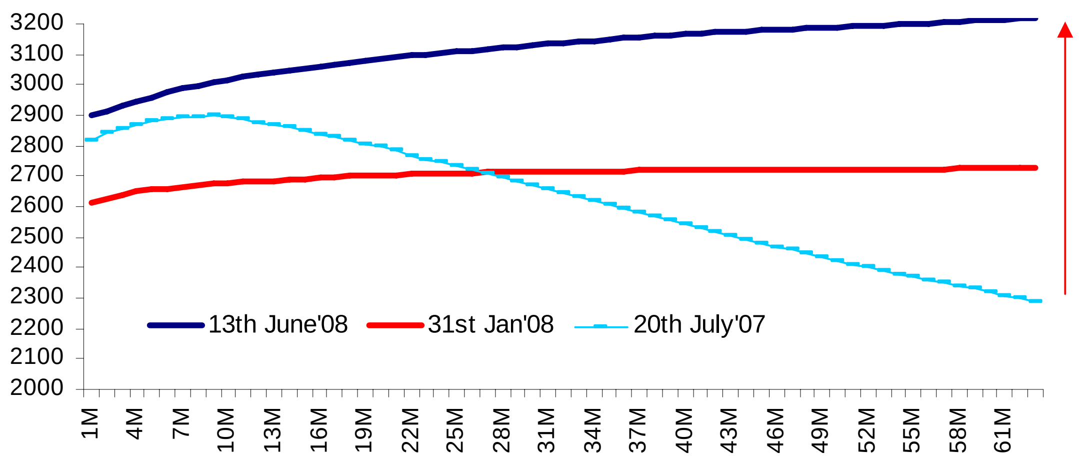
Conclusion: Prices to remain strong

Aluminium



In recent months, in-spite of an increase in LME stock, prices have shown an upward trend in anticipation of supply concerns

A rising forward curve reflects the bullish sentiments about aluminium prices

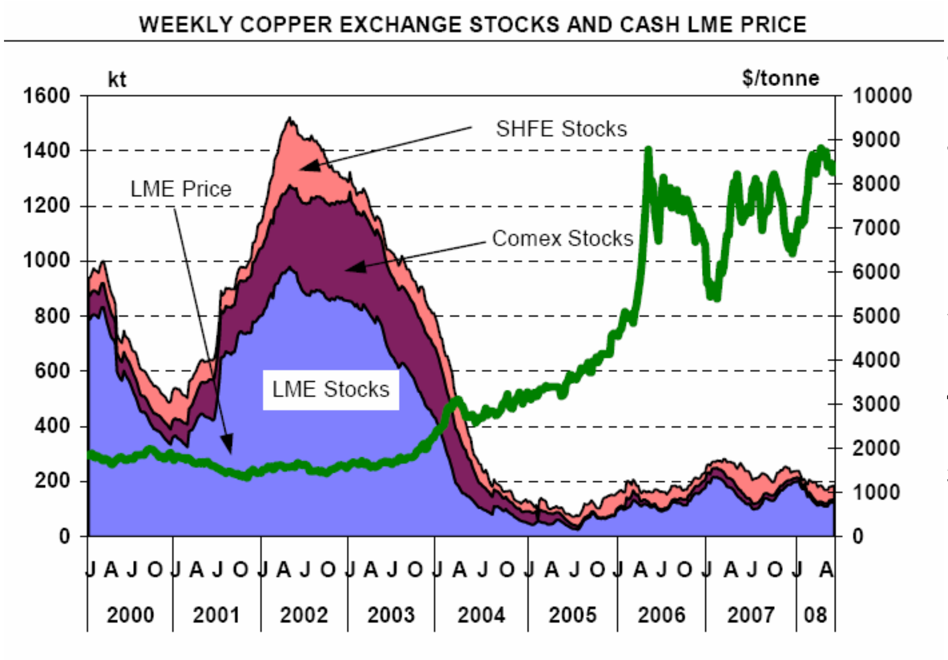


Copper Outlook

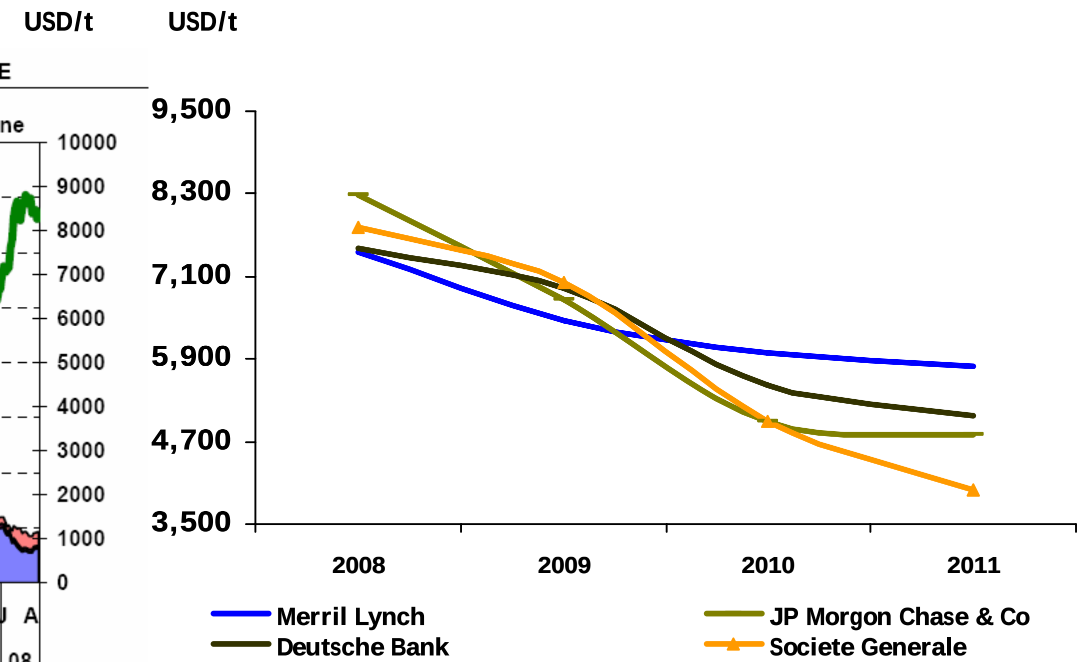
Copper Price Forecast

- **Prices expected to remain strong through 2008 on account of continued strong demand & concerns about Supply**
  - *Demand: Chinese copper consumption continue to drive the market*
  - *US consumption decline will be offset by demand from emerging markets*
  - *Supply: Restricted Chilean supply due to energy, security, water availability and labour unrest*
  - *Delay in New mine capacities due to Socio-political & environmental issues*
  - *Increasing interest by funds in the commodities on account of depressed equity markets following sub prime crisis*
  - *Rising Capital & Operating costs due to increased input, interest costs and declining copper grades*

Low global copper inventories & strong price forecast



Source : Brrok Hunt May 2008

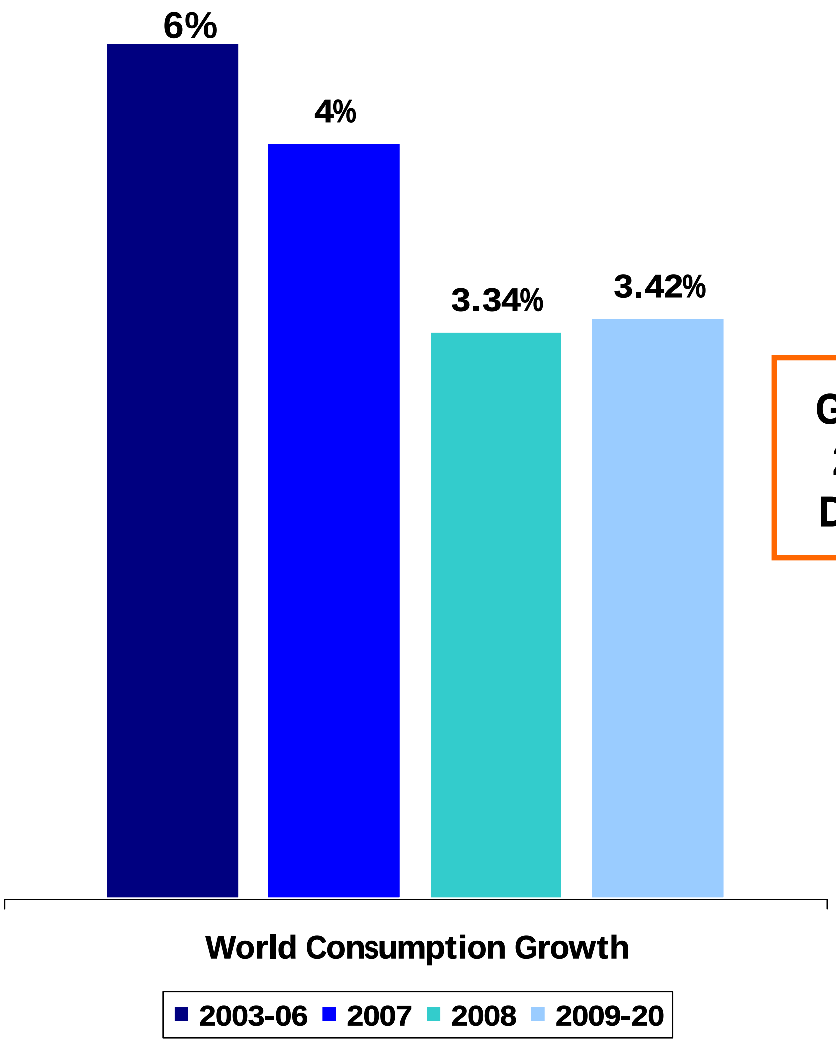


Source : Bloomberg (14-06-2008)

Copper stock at historically low levels has led to strong price forecast in coming years

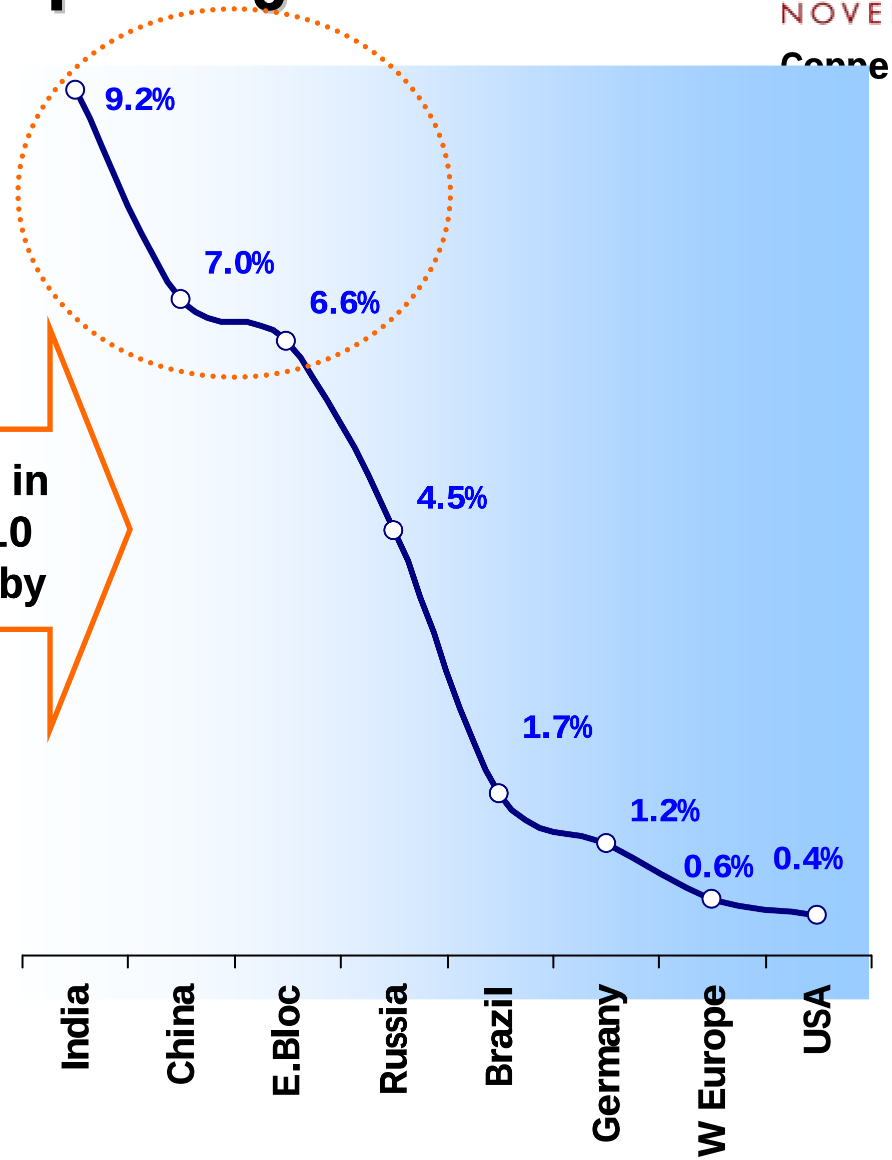
Year	Bloomberg Average LME (USD/t)
2008	7878
2009	6951
2010	5089
2011	4917

Copper Consumption growth



Source Q4 2007 Brook hunt

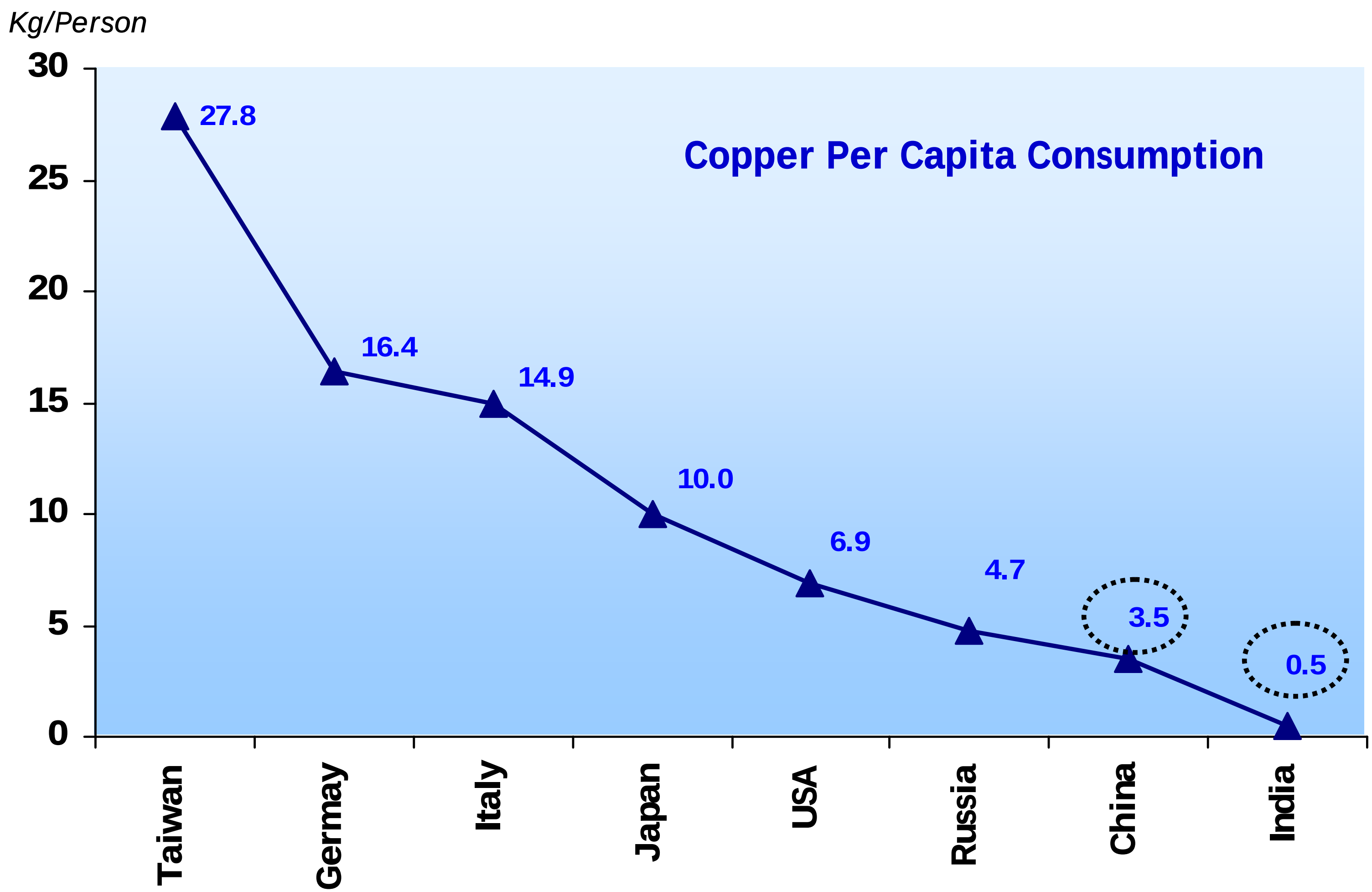
Growth in 2008-10 Driven by



India and China followed by E.Bloc are the main drivers of copper demand thereby offsetting weaknesses elsewhere

India Presents Significant Growth Potential …

Copper



Source : Population CIA fact book July'07 estimates Copper consumption Q4 2007 Brook hunt

Per capita consumption of Cu in India and china is very low

Custom smelters : No immediate relief

- **TC/RC expected to continue to remain subdued on account of**
- **Tightness in concentrate supply as incremental supplies finding difficult to keep pace with demand**
    - o *High input costs, rising capex ,credit crunch & environmental issues resulting into delay in planned production*
    - o *Major new discoveries and projects located in politically sensitive countries and involve high risk*
- **Strong refined copper demand resulting in continued expansion in smelting capacities**
- **Higher consolidation in the mining industry resulting in increased supplier power**

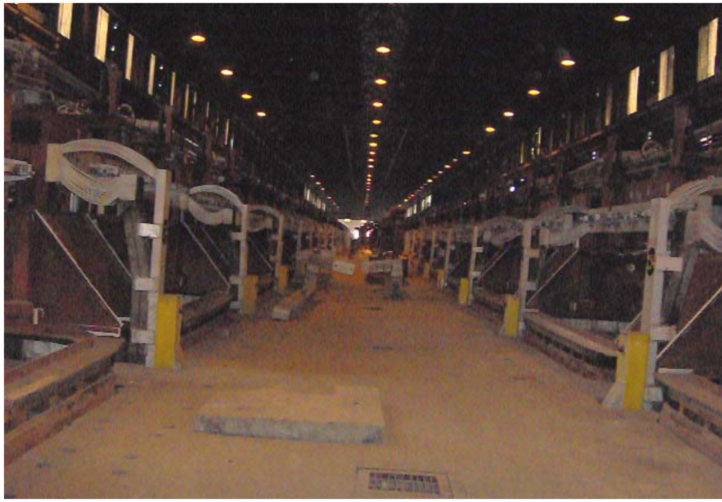
Projects

Muri Alumina Expansion

- **Basic & Detailed Engineering - Completed**
- **Environmental Clearance -"Consent to Operate" application filed on 24.11.07.**
  - ***Inspection completed. Deemed consent***
- **Other Statutory Clearances - Obtained**
- **Land for future mud disposal site - Notification acquisition by Govt. awaited**
- **Construction Status -**
  - ***Muri expansion Overall- Commissioning in progress***
    - **Power Plant Overall- +99% complete**
    - **Refinery Overall- Commissioning in Progress.**
    - **Rail Network Overall- Completed and Rail movement commenced.**

Hirakud Expansion

- **Smelter – Phase-I (35 kTPA expn.)-**
  - **Completed in Dec'06 & operation stabilized.**
  - **Phase-II (43 kTPA expn.)–**
  - **Conversion of 314 pots completed and operations stabilized**
  - **Conversion of balance 86 pots in progress.**
  - **Completion Date of Phase II: Q2 'FY 08-09**
- **Power - 100MW (Unit#4),Three boilers and single turbine**
  - **Commissioned with two boilers (Boiler-10 & 11) on 8th Feb 08**
  - **100 MW generation achieved on 17th May08**
  - **All systems stabilised**



Line #2 pots after prebaked conversion

Power House

Utkal Alumina Project

Project Highlights

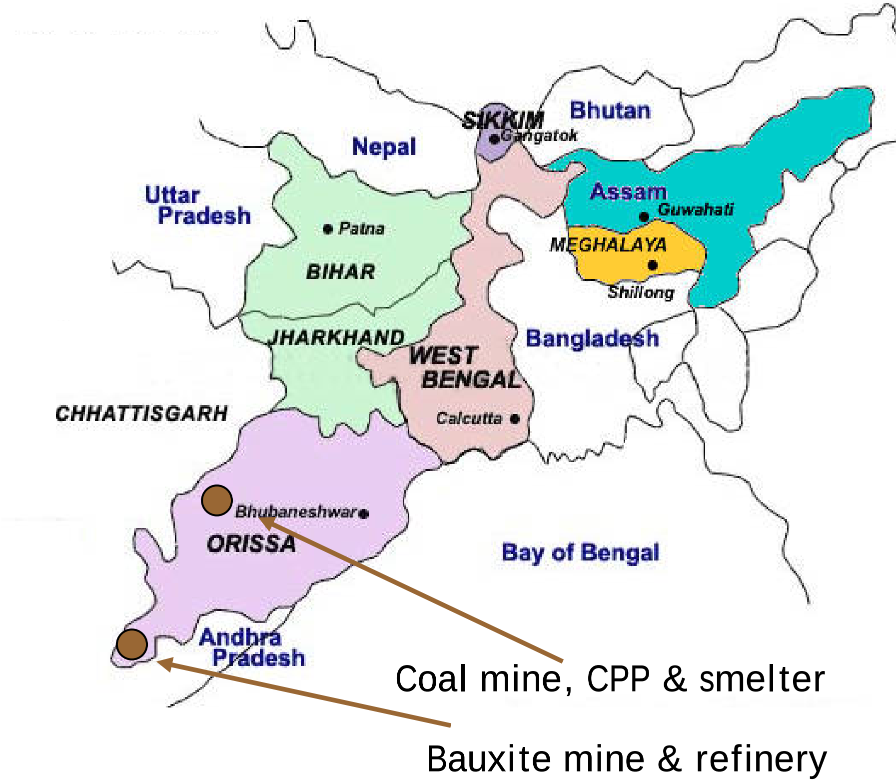
- **Mining**
  - 4.5 million tpa bauxite mining capacity at Baphlimali (Rayagada District)
- **Refinery**
  - 1.5 million tpa alumina refinery at Doragurha (Rayagada District), which after debottlenecking can produce 2 million tpa within 3 years of startup

- Land - Land acquisition mostly completed. R&R scheme Phase 1 completed and Phase 2 is under implementation
- Technology - Technology supplier finalized (Alcan). Basic engineering completed
- EPCM consultants – Finalized for all major areas
- Equipments- Major orders issued for all major equipments. Imported supplies for various packages has started arriving.
- Clearances – All major clearances are in place
- Organization – Project organization finalized. Recruitment being done as required
  - **Mechanical Completion Date – Q3' 2010**

Aditya Alumina and Aluminium Project

Project Highlights

- **Mining**
  - 4.2 million tpa bauxite mining capacity at Kodingamali (Koraput District)
- **Refinery**
  - 1.5 million tpa alumina refinery at Kansariguda (Rayagada District), which after debottlenecking can produce 2 million tpa within 3 years of startup
- **Coal**
  - 20 million TPA JV Coal Mine at Ib Valley, Talabira 2& 3, Orissa
- **Power**
  - 900 MW capacity captive power plant at Lapanga
- **Smelter**
  - 359 ktpa capacity aluminium smelter at Lapanga

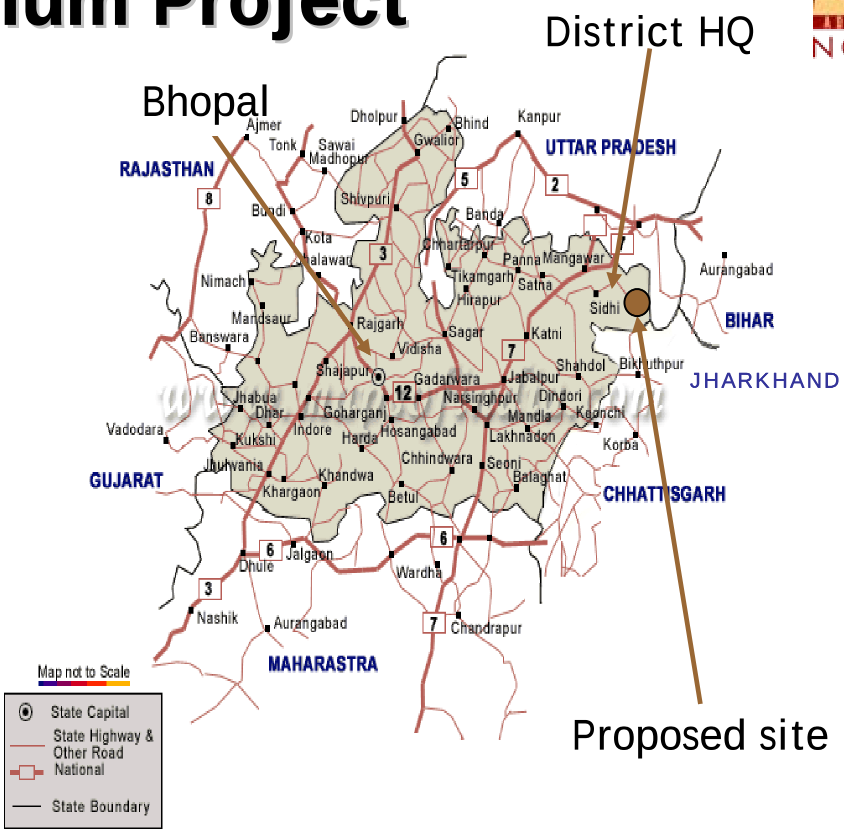


- Technology agreement with Aluminium Pechiney (AP) signed. SIA clearance from Government received. Alumina Technology tie up with ALCAN signed
- Engineering consultant for smelter as well as power plant finalised and Engineering work in progress.
- In-principle approval obtained for 855 ha of SEZ at Lapanga , district Sambalpur. Area measuring 115.71 ha is already notified .
- Water : Agreement signed for drawal of water.
- Environment Clearance for Kodingamali Mine cleared by expert env. committee of MoEF.
- **Expected date of Project completion : Q3'2011**

Mahan Aluminium Project

Project Highlights

- **Smelter**
  - 359 ktpa capacity aluminium smelter near Bargawan, Singrauli District of Madhya Pradesh
- **Power**
  - 900 MW capacity captive thermal power plant near Bargawan, Sidhi District of Madhya Pradesh
- **Coal**
  - 3.5 million tpa of coal from Mahan Coal Block of Main Basin in Singrauli Coal Fields (in joint venture with Essar Power)



Coal: Coal block allotted in Apr'06 in JV with ESSAR. Pre project activities in progress.

SEZ: Govt. of India extended the validity of in-principle approval of SEZ up to 31st Oct'08

Construction Power: 132KV grid connectivity approved.

Water: Water resource department of GOMP has allotted 45.12 cusecs

Environmental Clearances: Application has been submitted to MOEF on 31st January 07 and TOR obtained from MoEF on 18th July 2007. Public hearing conducted on 14th Mar'08.

Technology Agreement: Signed with Pechiney for Smelter. SIA clearance obtained.

EPCM consultant: For Smelter & Power plant finalised

Expected Commissioning date: Q3'2012

Jharkhand Aluminium Project

Project Highlights

- **Smelter**
  - 359 ktpa capacity aluminium smelter at Jharkhand
- **Power**
  - 900 MW capacity captive thermal power plant at Jharkhand
- **Coal**
  - 4.6 million tpa of coal from Tubed Coal Mine of Auranga Coal Fields, Jharkhand (in JV with Tata Power) inclusive of 0.6 million tpa coal requirement of Muri

Tubed Coal Mine Allotted-

Joint venture formed between Tata power and Hindalco. JV agreement in progress

Water Allocation – awaiting clearance from GoJ for 55 MCM water from Subernrekha basin.

Land Acquisition: Few sites have been short listed but work can start only after GoJ indicates the location of water source.

Technology Agreement signed with Aluminium Pechiney for Aluminium Smelter

All other activities can start only after finalisation of location of water and land is cleared by GoJ.

Expected Commissioning date: Q3'2013

Summary: Hindalco Operations

A Challenging year, on account of macroeconomic factors & these factors are here to stay……

Anticipation of the adverse trend and the remedial steps taken to face the emerging challenges have helped in containing the adverse impact

TCRC will continue to have a negative influence on Copper Business; enhanced asset productivity, containment of input costs will be key.

Domestic consumption growth for both aluminium and copper augers well for Hindalco, which has embarked on the ambitious growth plan through the low cost greenfield aluminium projects

So, inspite of major challenges in the coming volatile period, the Management feels encouraged to face them and to maintain the growth trend.

Aditya Birla Minerals

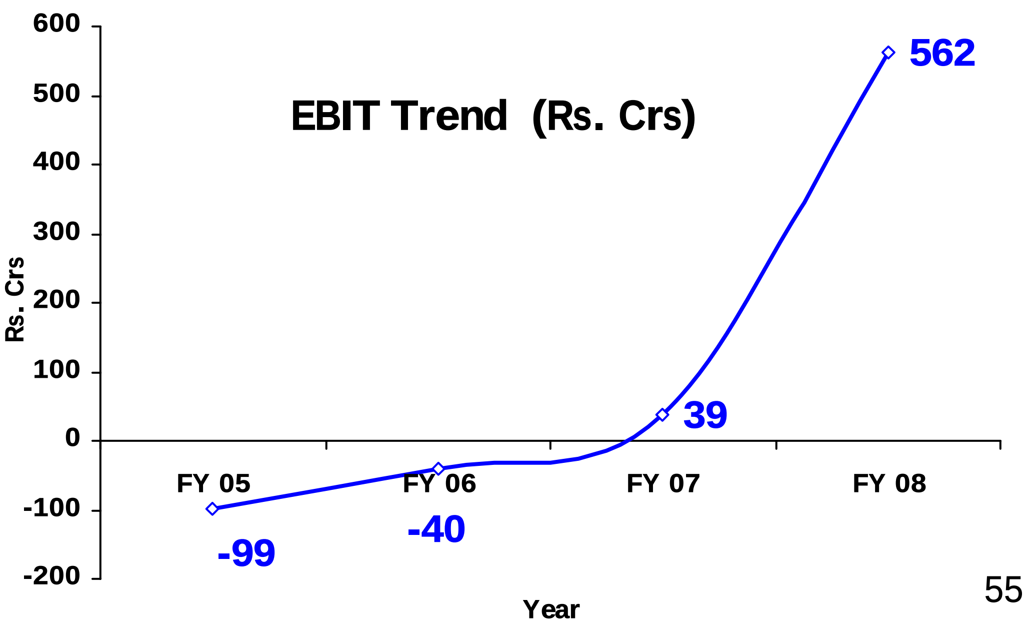
ABML – Highlights

- Highest Metal production since acquisition of mines.
- Long Hole – Stope mining has successfully been implemented in the Nifty underground mine.
- The project for Oxide Heap re-treatment has been taken forward – construction of screening and washing plant is in progress.
- Explorations / infill drilling is in progress in MGO to extend the mineralization at depth with encouraging initial result – Construction of a new haulage shaft has been conceptualised for cast reduction by increasing ore production from depth and extension of mine life.
- Ongoing underground drilling has successfully extended mine life of MGO till 2012. Further explorations drilling is in progress in MGO.
- Development of Esperanza south UG mine is being taken up in FY09.
- Maroochydore- Scoping study is in progress.

ABML Financials – FY 08

(Rs. Crs)	FY07	FY08	Chg (%)
Net Sales	1127	2335	107%
EBIT	39	562	1342%
Operating Cash Flow*	-390	447	215%

* Operating Cash Flow is after capex and mine development expenditure



Novelis

Novelis Acquisition – A Recap

- **In May 2007, Hindalco acquired Novelis for US$6 billion**
- **The rationale:**
  - *Immediate global reach and scale along with technological expertise*
  - *Downstream business derives its margin through conversion mark-up, should act as a natural hedge for LME-driven, volatile, upstream commodity business*
  - *Industry leading technology, assets and expertise can be leveraged to grow high-value-added, flat rolled products in fast-growing markets such as India and China*

Challenges of the Acquisition

- Quick completion: Approvals from government agencies, company boards, lenders and courts
- Integration: Integration of companies with diverse cultures, nationalities across various levels and functions
- Retaining cutting edge: Spirit and capability of innovation, key customer relationships, people skills to be expanded across greater Hindalco
- Identifying and realising synergies: IT and risk management skills, jointly realising downstream vision, and international marketing
- Improving Novelis' financial performance: focus on costs, operations, pricing and working capital

Sustaining Global Leadership

- **Fusion Technology : Process Stabilisation, Research on new end-uses, Expansion of Fusion Facilities.**
- **Thrust on recycling Capacities: New investments and de-bottlenecking**
- **Increasing rolling capabilities through mill upgrades and innovative practices**
- **Renewed focus on OEE & energy efficiencies**
- **Partnering with customers for product development/enhancement: Several auto programs on the anvil**
- **Leverage on first mover advantage in high value added product segments in India**

To Sum Up: Beginning of an exciting new era

- Hindalco has embraced an aggressive growth plan, a combination of organic & inorganic growth
- Upstream growth through organic route; a prudent mix of Brownfield & Greenfield expansions
- Downstream growth through acquisition (Novelis)

Priorities	Maintain Growth Momentum	Build New Assets	Realise Novelis Synergies
	•Continued stress on operational excellence	•Progress on planned Greenfield projects & deliver as per schedule	•Financial turnaround With continued Operational improvement •Leverage on technology

Well Positioned for Greater Value Creation

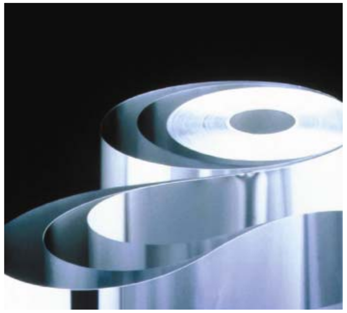
Brighter ideas with aluminium

Novelis Fiscal Year 2008 Presentation to Investors

Martha Brooks, President and COO

Steve Fisher, CFO

June 20, 2008



Safe Harbor Statement

Statements made in this presentation which describe Novelis' intentions, expectations or predictions may be forward-looking statements within the meaning of securities laws. Forward-looking statements may include statements preceded by, followed by, or including the words “believes,” “expects,” “anticipates,” “plans,” “estimates,” “projects,” “forecasts,” or similar expressions. Novelis cautions that, by their nature, forward-looking statements involve risk and uncertainty and that Novelis' actual results could differ materially from those expressed or implied in such statements. Important factors which could cause such differences include: the level of our indebtedness and our ability to generate cash; relationships with, and financial and operating conditions of, our customers and suppliers; changes in the prices and availability of aluminum (or premiums associated with such prices) or other raw materials we use; the effect of metal price ceilings in certain of our sales contracts; our ability to successfully negotiate with our customers to remove or limit metal price ceilings in our contracts; the effectiveness of our hedging activities, including our internal used beverage can and smelter hedges; fluctuations in the supply of, and prices for, energy in the areas in which we maintain production facilities; our ability to access financing for future capital requirements; continuing obligations and other relationships resulting from our spinoff from Alcan; changes in the relative values of various currencies; factors affecting our operations, such as litigation, labor relations and negotiations, breakdown of equipment and other events; economic, regulatory and political factors within the countries in which we operate or sell our products, including changes in duties or tariffs; competition from other aluminum rolled products producers as well as from substitute materials such as steel, glass, plastic and composite materials; changes in general economic conditions; our ability to maintain effective internal control over financial reporting and disclosure controls and procedures in the future; changes in the fair market value of derivatives; cyclical demand and pricing within the principal markets for our products as well as seasonality in certain of our customers' industries; changes in government regulations, particularly those affecting environmental, health or safety compliance; changes in interest rates that have the effect of increasing the amounts we pay under our principal credit agreements and other financing arrangements; the development of the most efficient tax structure for the Company; and the integration with Hindalco. The above list of factors is not exhaustive. Other important risk factors are included under the caption "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended March 31, 2008, as filed with the SEC, and may be discussed in subsequent filings with the SEC. Further, the risk factors included in our Annual Report on Form 10-K for the fiscal year ended March 31, 2008, are specifically incorporated by reference into this presentation.

Operational Highlights

Martha Finn Brooks

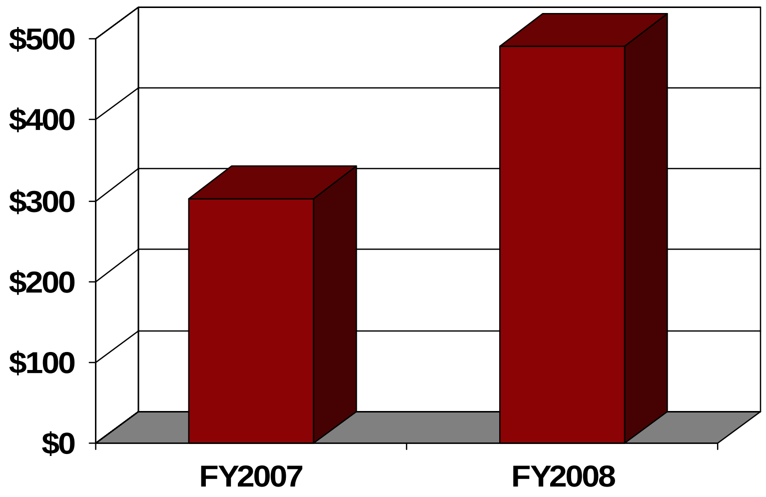
President and Chief Operating Officer

Significant Financial Improvements

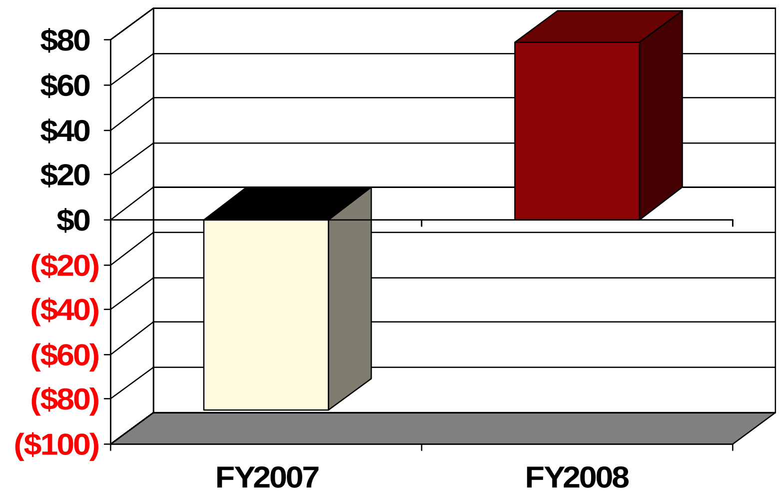
Normalized Operating EBITDA increased 62%

Free Cash Flow improvement: $ 164 M*

Normalized Operating EBITDA ($ M)



Free Cash Flow ($ M)



* FY’08 FCF reduced by acquisition cost of $92 M

Achieving Higher Profitability

Record production in key locations

Can ceiling volumes reduced from approximately 20% - 10% of global sales

Portfolio improvements

Price increases

$ 65 M Net of input cost increases

Novelis Fusion expanded to each of our four regions

Working capital improvements: better inventory, logistics and accounts receivable management

Significant SG&A cost reductions, primarily corporate office

Overcoming Challenges

New metal risk management program

One contract with can price ceiling remains

Cost increases in energy, freight and alloys - $110 M

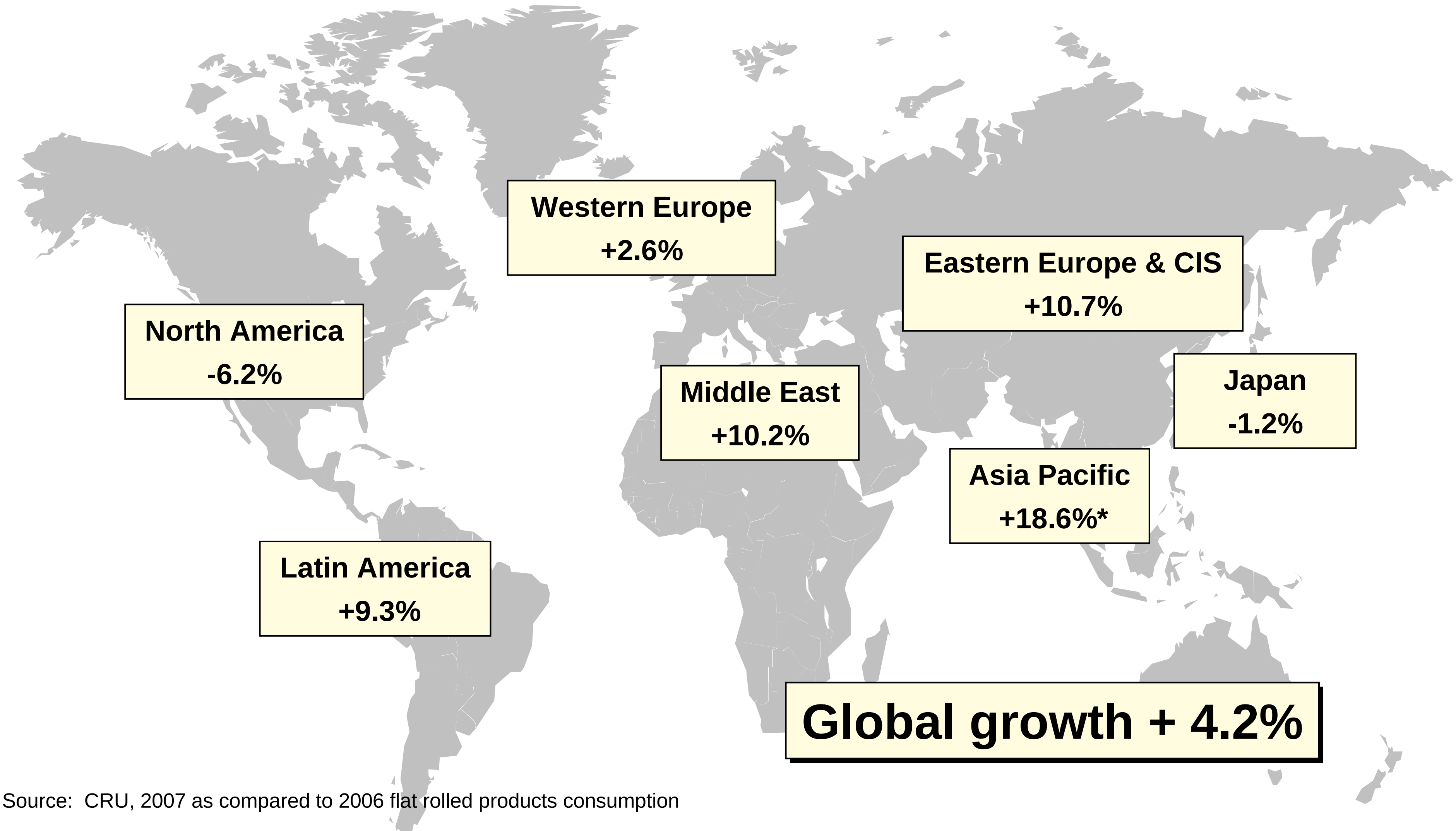
Softness in certain North American markets – housing and transportation

LME and SHFE volatility

Strong Real (BRL) and Euro (EUR)

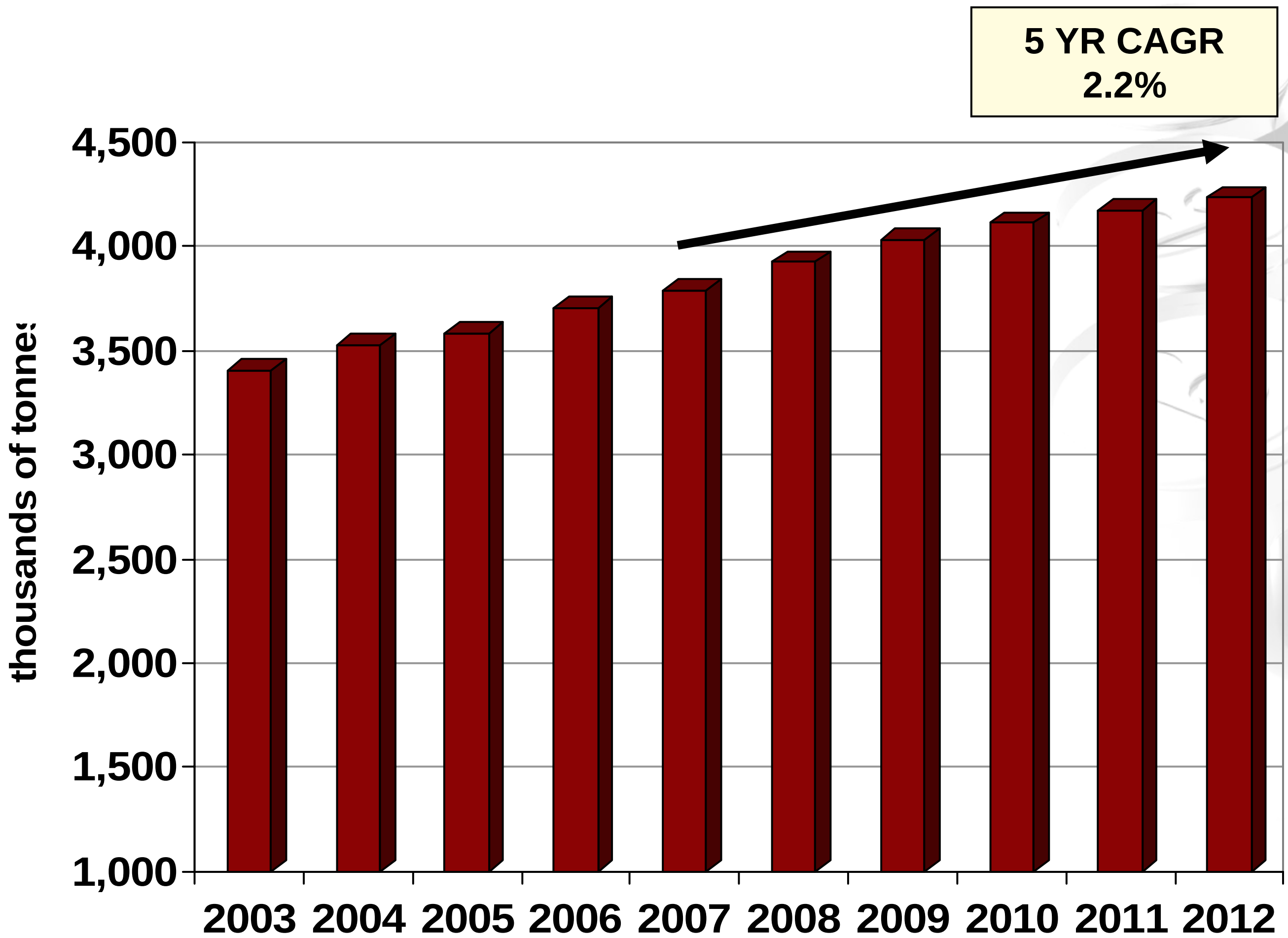
Strong Growth for Flat Rolled Products

Novelis a Market Leader in All Regions



Source: CRU, 2007 as compared to 2006 flat rolled products consumption

Growth in Aluminium Beverage Cans



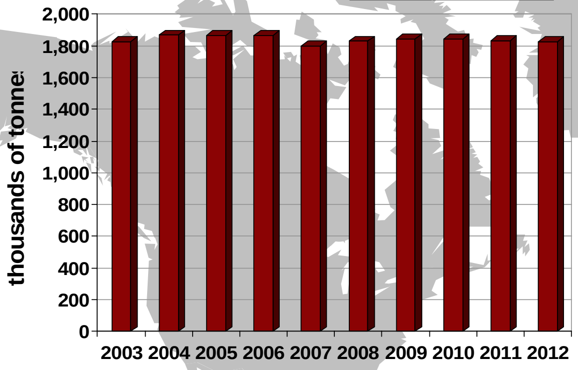
Source: CRU, Aluminium Flat Rolled Products Quarterly, May 2008

Novelis is Leader in Can Sheet Market

NOVELIS

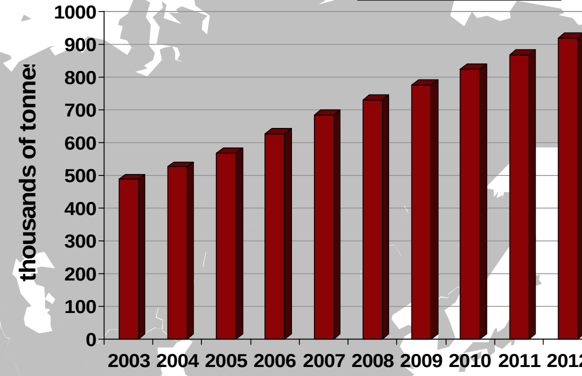
North America

5 YR CAGR* 0.3%



Europe

5 YR CAGR* 6.1%

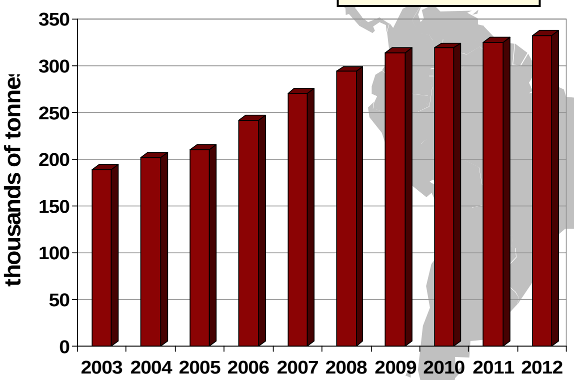


Novelis

- 37% global market share
- #1 producer in all regions

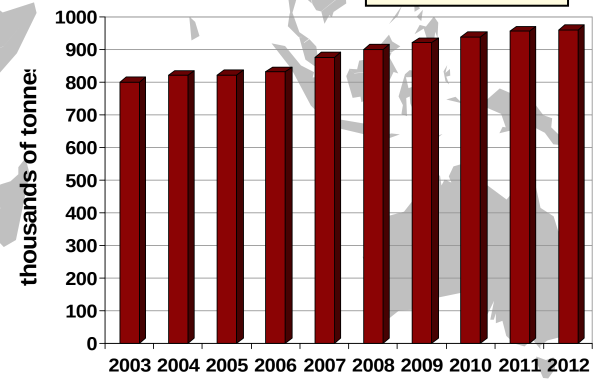
Latin America

5 YR CAGR* 4.2%



Asia Pacific

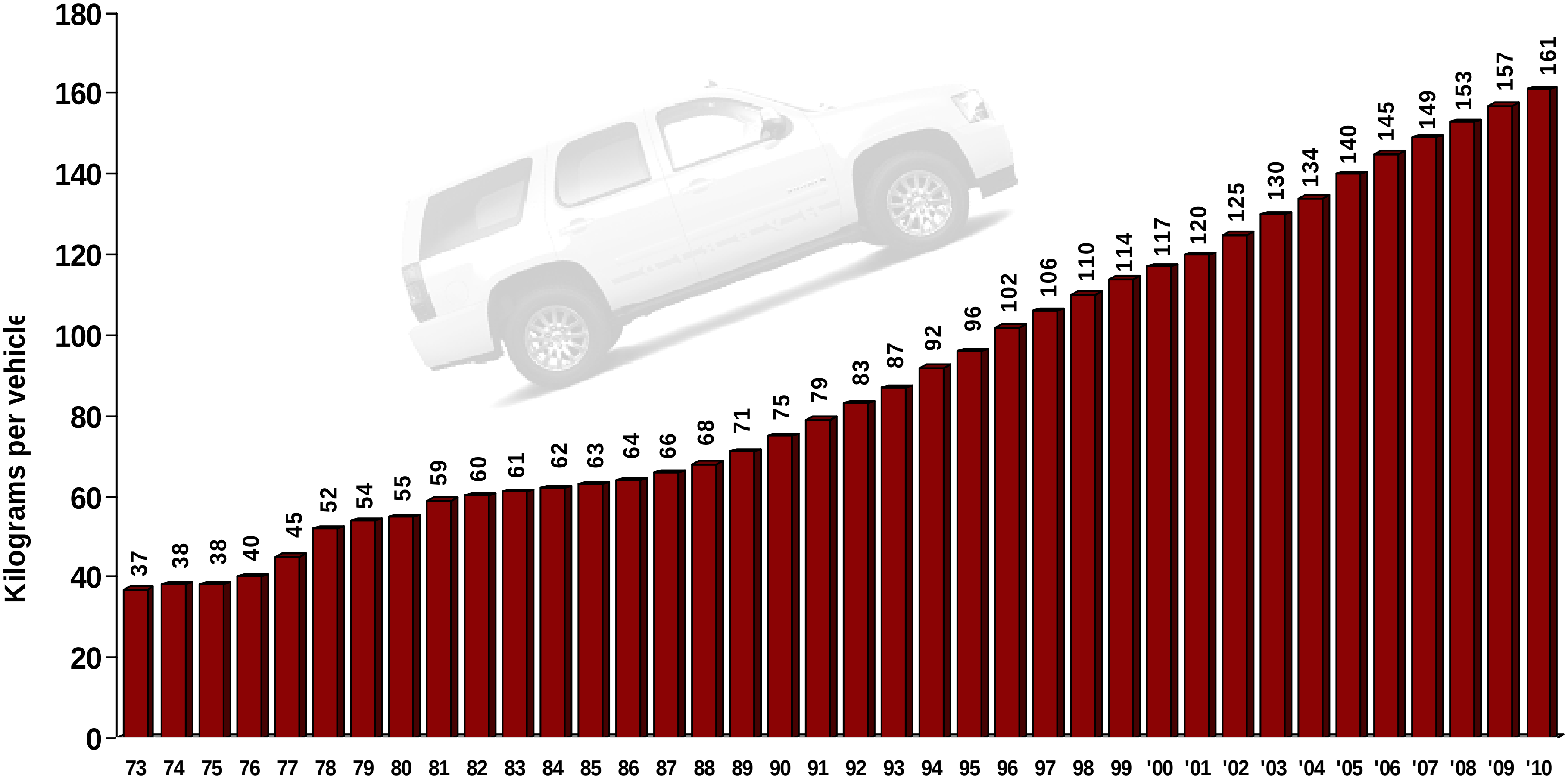
5 YR CAGR* 1.8%



* CAGR Percentage Increase 2007 - 2012

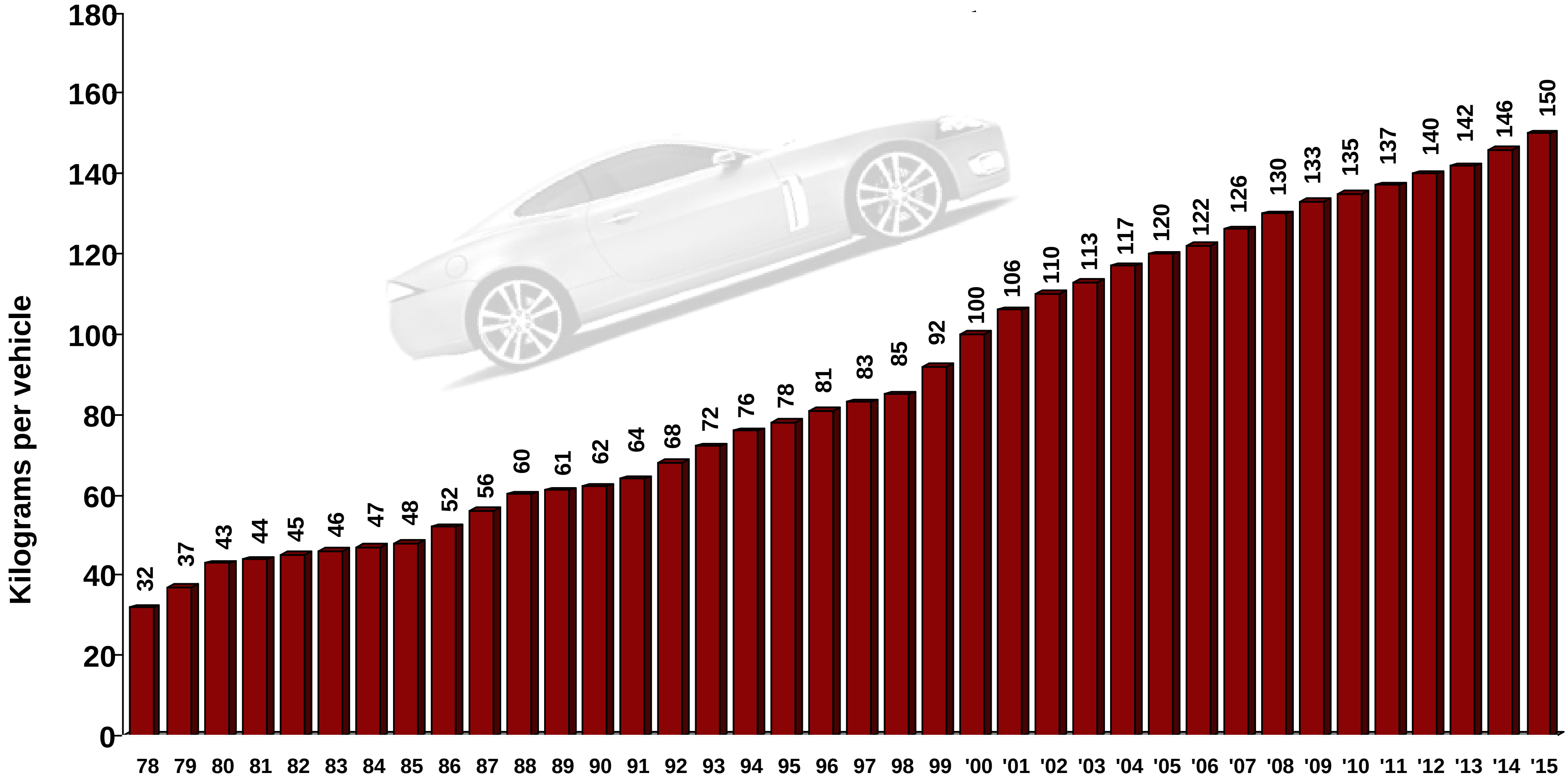
Source: CRU, Aluminium Flat Rolled Products Quarterly, May 2008

Aluminium Use in Autos – North America



Source: Ducker Worldwide 2006

Aluminium Use in Autos – Europe



Sources: Ducker Research, Knibb Gormezano & Partner, EAA, AMM, JAA, GDA, McKinsey, Novelis

Novelis is Leader in Auto Sheet Market

North America

Europe

Korea

Novelis

- Preferred partner for automakers
- Over 70 models in production
- 4.5 million vehicles this year
- First entry into Asia

Source: Novelis estimates

Global Footprint for Novelis Fusion™

Oswego, New York

- Installation of new melting furnace this spring will significantly increase Novelis Fusion™ casting capacity

Ulsan, South Korea

- Smooth, rapid startup. Commercial volume production started in March

Sierre, Switzerland

- Greenfield casthouse commissioned in April. Novelis Fusion™ casting to begin in August

Sierre start-up team

Ouro Preto, Brazil

- Investment announced May 2008. Facility to be operational in 2009

Growth Platforms for Novelis Fusion™

Global markets

Heat exchangers

Automotive structures and body panels

Regional markets

Household Appliances

Architectural/Building

High Pressure Cylinders

Existing Clad Products

Transportation

Examples of target markets for Novelis Fusion

Investments for Strategic Growth

Completed in FY'08

Start-up laser cutting center at Sierre ($4M)

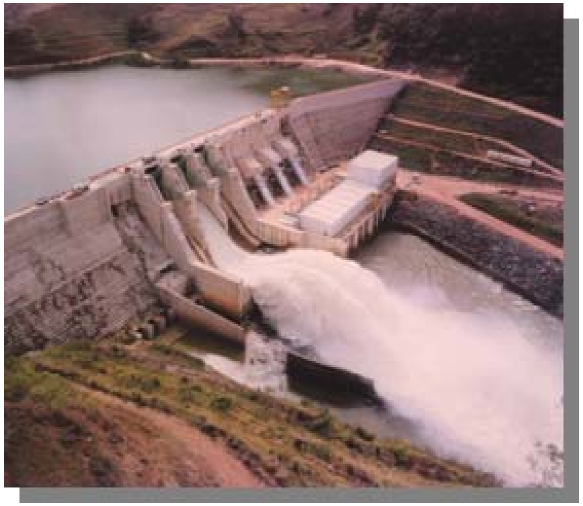
Install new melting furnace at Pinda ($7M)

Start-up Novelis Fusion™ at Ulsan ($5M)

Expand rolling mill at Yeongju ($30M)

Construct new casthouse at Sierre ($49M)

Multi-stand rolling mill in Yeongju



Hydroelectric dam in Brazil

In Progress

- Start-up Novelis Fusion production at Sierre
- Install new melting furnace at Oswego ($9M)
- Upgrade anneal/lacquer line at Nachterstedt ($17M)
- Upgrade rolling and recycling at Pinda ($21M)
- Install Novelis Fusion™ at Ouro Preto ($5M)
- Pilot project to integrate IT systems in Brazil ($5M)
- Expansion of hydro capacity in Brazil ($41M)

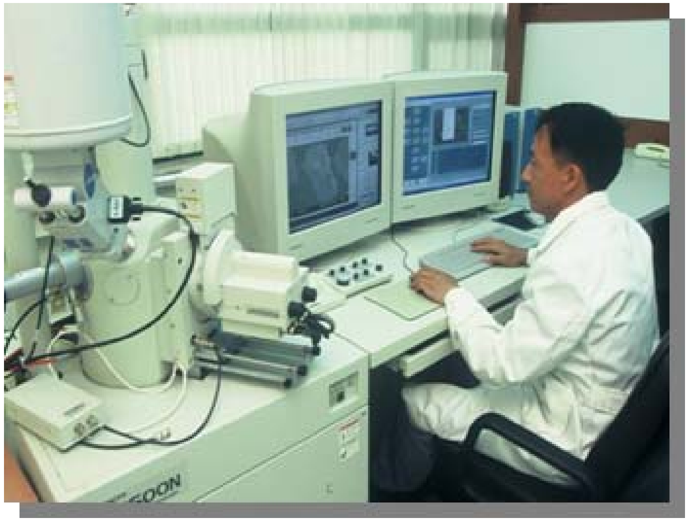
Cost-effective Research & Development

Kingston Global Technology Center -- innovation partnering and consolidation of footprint through facility sharing with a leading Canadian university

Exited Neuhausen, moved resources to market-focused innovation centers at Gottingen, Dudelange and Sierre

Opened innovation center in Ulsan

Strengthened in-house capabilities for molten metal & advanced solidification technology



Ulsan Technology Center

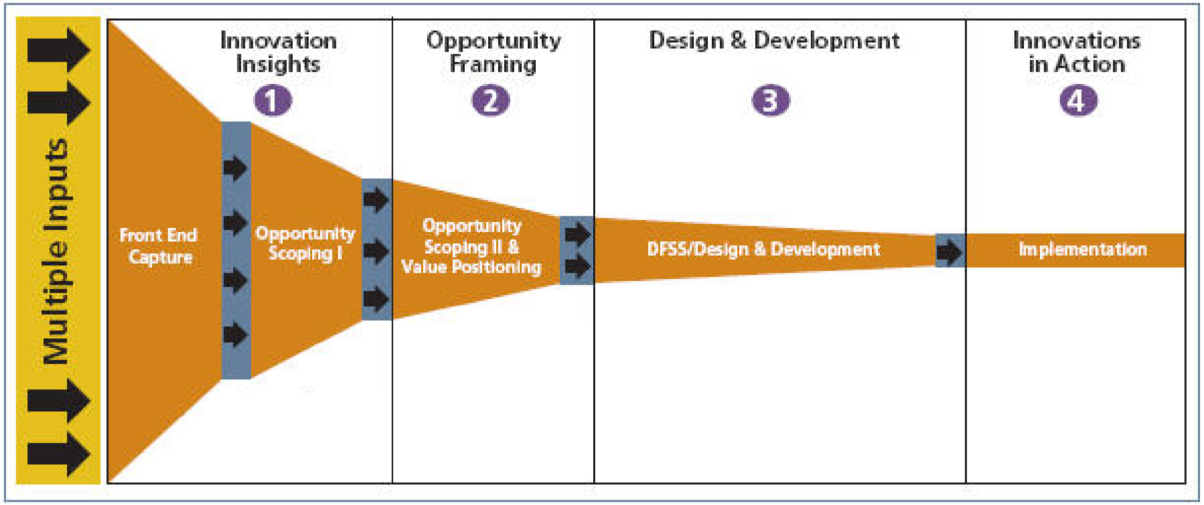
"Solution Center" tools and techniques fostering creativity, helping customers to solve challenges and find solutions

Product and Process Innovation

Goals:

- **Generate increasing levels of profits from new products, process or business model breakthroughs**
- **Be rated best innovation partner by our customers**

NIMES: Novelis Innovation Management and Execution System



Customer and Industry Recognition

World Excellence Award - Ford Motor Co.

Supplier of the Year - Alcoa Architectural Products

Supplier of the Year - Plus Pack, a leading European packaging company

Recycling Industry Award - Valpak, a leading UK provider of recycling solutions

Alcoa supplier award

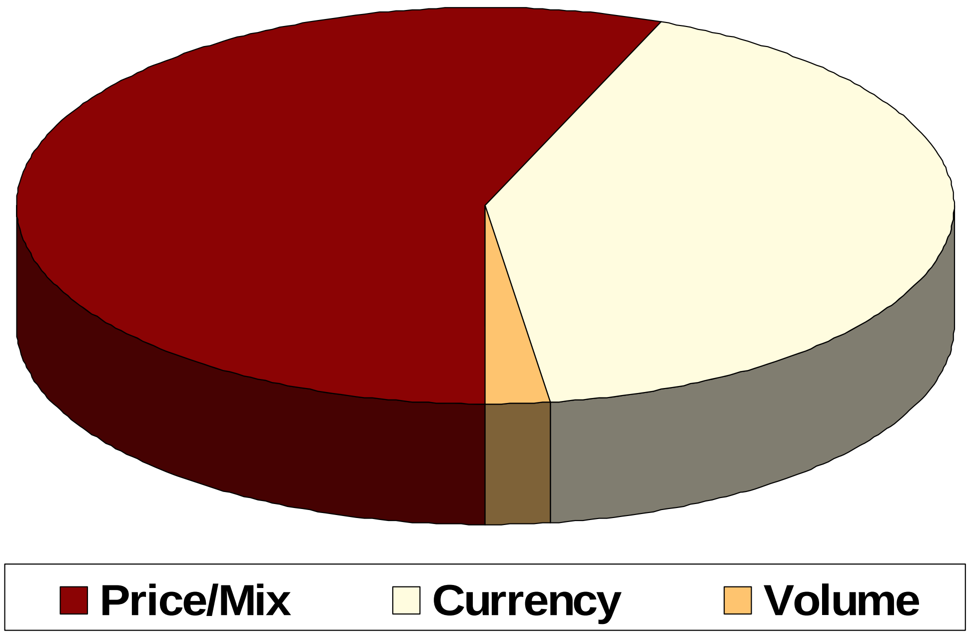
Korean export award

- **Design & Innovation Award** for Novelis Fusion™ - The Manufacturer
- **Export Tower Award** for top performing exporter - Republic of Korea

Driving the Conversion Model

12% Growth

FY 2007 – FY 2008



Regional Highlights: North America
FY07 vs FY08

	FY07	FY08	Growth %
FRP Shipments (kt)	1,135	1,102	(3)
Sales ($ M)	3,722	4,110	10
Operating EBITDA ($ M)	(54)	242	550

- **Reduced ceiling exposure (one contract remains)**
- **Purchase accounting benefit**
- **Price increases in face of difficult economic conditions**
- **Improved metal inputs mix**

Regional Highlights: Europe
FY07 vs FY08

	FY07	FY08	Growth %
FRP Shipments (kt)	1,068	1,075	1
Sales ($ M)	3,857	4,341	13
Operating EBITDA ($ M)	276	273	(1)

- **Price increases across all major markets and strong Euro effect**
- **Solid operational performance, but capacity constrained in some markets**
- **Construction of Novelis Fusion™ casthouse at Sierre**
- **FY ’08 nearly $60 M better than FY ’07 when metal timing is removed**

Regional Highlights: Asia
FY07 vs FY08

	FY07	FY08	Growth %
FRP Shipments (kt)	463	495	7
Sales ($ M)	1,726	1,829	6
Operating EBITDA ($ M)	72	52	(27)

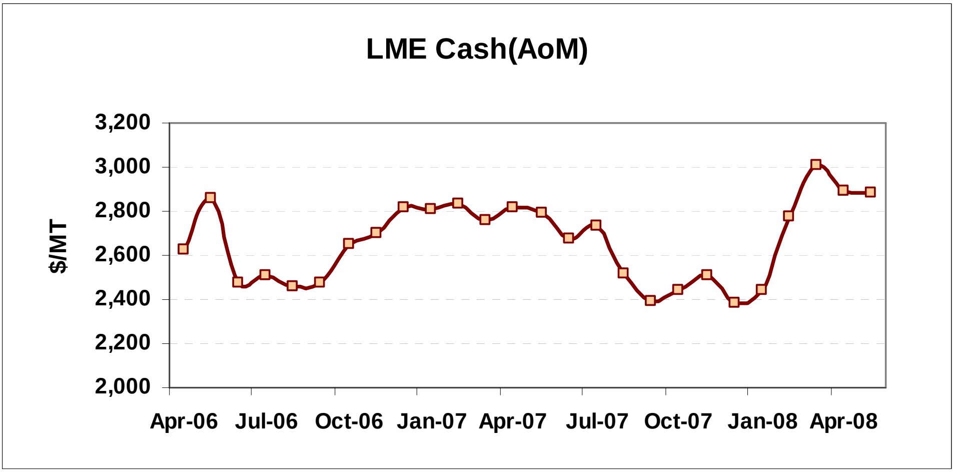
- **Challenging mix with decline in Korean industrial market**
- **One-time refinancing expenses**
- **Yeongju hot mill upgraded and Novelis Fusion™ capacity added in Ulsan at year end**
- **Price increases across all major markets in Q4**

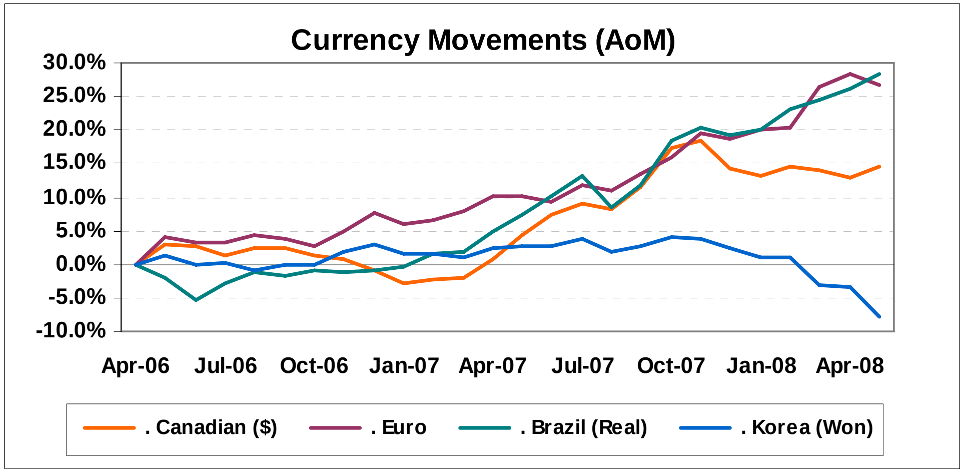
Regional Highlights: South America
FY07 vs FY08

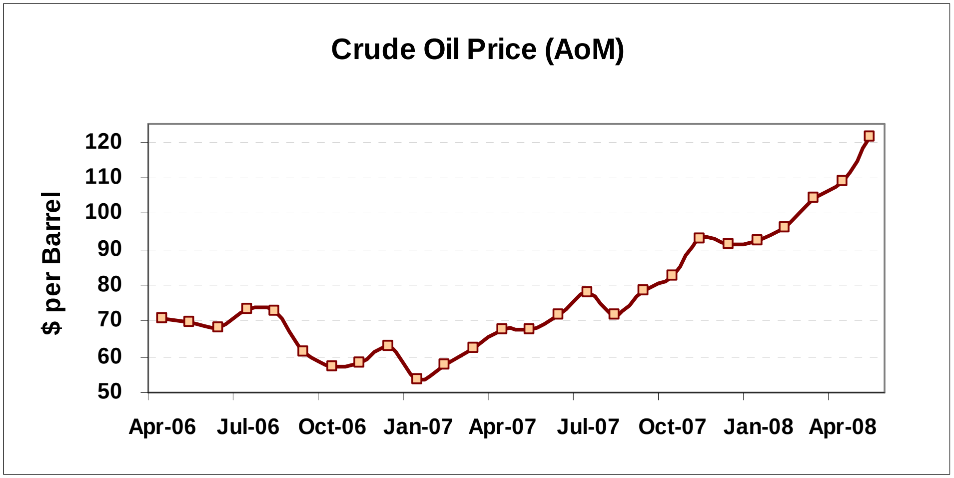
	FY07	FY08	Growth %
FRP Shipments (kt)	285	324	14
Sales ($ M)	945	1,028	9
Operating EBITDA ($ M)	181	162	(11)

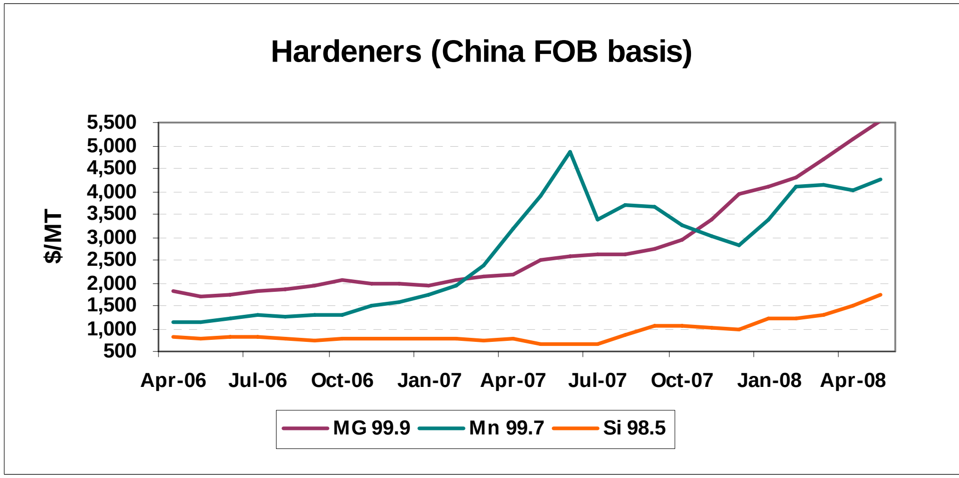
- **Strengthening Real inhibits smelter profits**
- **Price increases across all major markets**
- **Record operational performances; Pinda capacity improvements**
- **Headcount optimization**

Underlying Cost Drivers:
LME Cash, Currencies, Crude Oil Price and Hardeners









Actions to Reduce Costs

SG&A reductions

Closure of Louisville, Kentucky plant

Restructuring:

- Bridgnorth, UK foil operations
- Korean finishing lines
- Ouro Preto, Brazil smelter potline

Energy projects (Energy Task Force)

Continuous Improvement Process

Foil rolling at Bridgnorth

Financial Section

Steve Fisher
Chief Financial Officer

Explanation on Financial Materials Presented

- Under U.S. GAAP, consolidated financial statements for FY 2008 are presented in two distinct periods, as Predecessor and Successor entities, and are not comparable in all material respects.
- However, to facilitate a discussion of our results, financial information for the 12 months ended March 31, 2007, are presented on a combined basis.
- Comparing the consolidated financial statements for FY 2008 with the combined financial statements for the year ended March 31, 2007, allows a more meaningful analysis.
- In addition, our Predecessor and Successor results for the period from April 1, 2007, through May 15, 2007, and for the period from May 16, 2007, through March 31, 2008, are presented on a combined basis.
- Combined operating results, segment information and cash flows are non-GAAP financial measures, do not include any pro forma assumptions or adjustments and should not be used in isolation or substitution of the Predecessor and Successor operating results, segment information or cash flows.

Financial Highlights

Since the acquisition by Hindalco, the company's earnings performance on a normalized basis has improved significantly when compared to the prior year. This improvement is driven by:

- Reduced exposure to the price ceilings
- Improved pricing and mix
- Lower corporate costs

The company has also improved its performance on a Free Cash Flow basis and has maintained a strong position in terms of liquidity. This position has been solidified by:

- Stronger earnings performance
- Refinancing of Senior Secured Credit Facilities
- Better working capital management

The Conversion Business Model

Product price structure with two components:

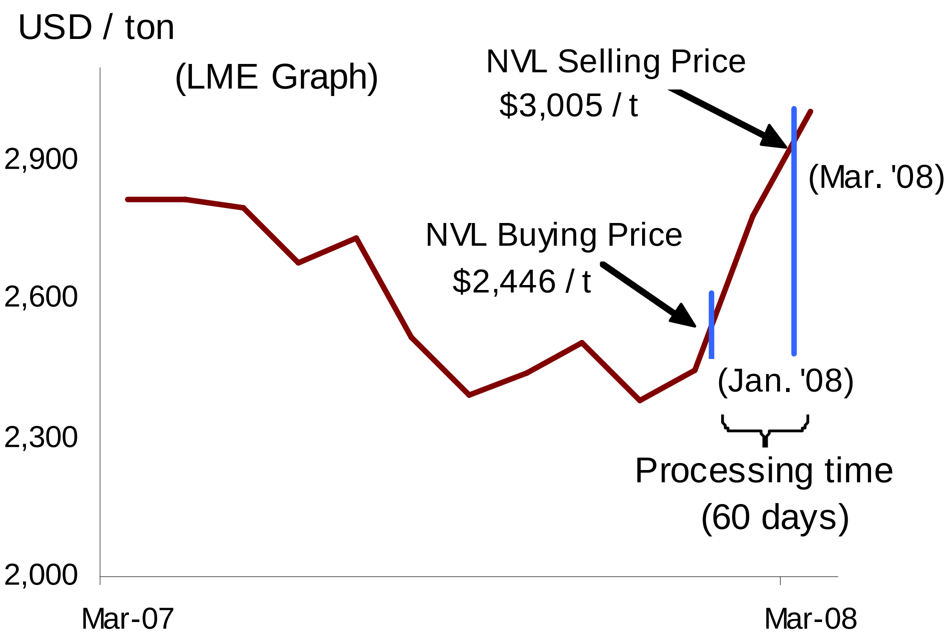
- "Pass-through" aluminium price based on the LME plus specified local market premiums
- Conversion premium price related to the value added of rolling and the competitive market conditions for the product

Elimination of price ceilings:

- Approximately 8% of overall estimated shipments are under price ceilings for FY '09
- Cash flows are negatively impacted - utilize internal and external hedges to mitigate the risk
- No new contracts with ceilings

New Risk Management Approach

Metal Price Lag



Note: illustrative example only

How we manage the risk

- **Historical: Long term metal price lag exposure balances out; short term exposure exists**
- **Current: Hedging in place to remove LT & ST exposures**
- **Benefit: Substantial mitigation of cash exposure; some non-cash P&L volatility continues because of mark-to-market and inventory accounting**

Operating EBITDA Reconciliation

FY07 vs FY08

	FY07	FY08
Net Income (Loss)	**(265)**	**(69)**
Provision (Benefit) for Income Taxes	(98)	7
Minority Interests' Share	3	4
Interest Expense and Amortization of Debt Costs, Net	207	199
Depreciation and Amortization	233	395
EBITDA	**81**	**536**
Reconciliation to Operating EBITDA:		
Sale Transaction Fees	32	32
Other Expenses, Net	18	2
Unrealized Loss on Change in Fair Value of Derivatives	150	2
Proportional Consolidation of Non-Consolidated Affiliates	36	72
Operating EBITDA	**316**	**644**

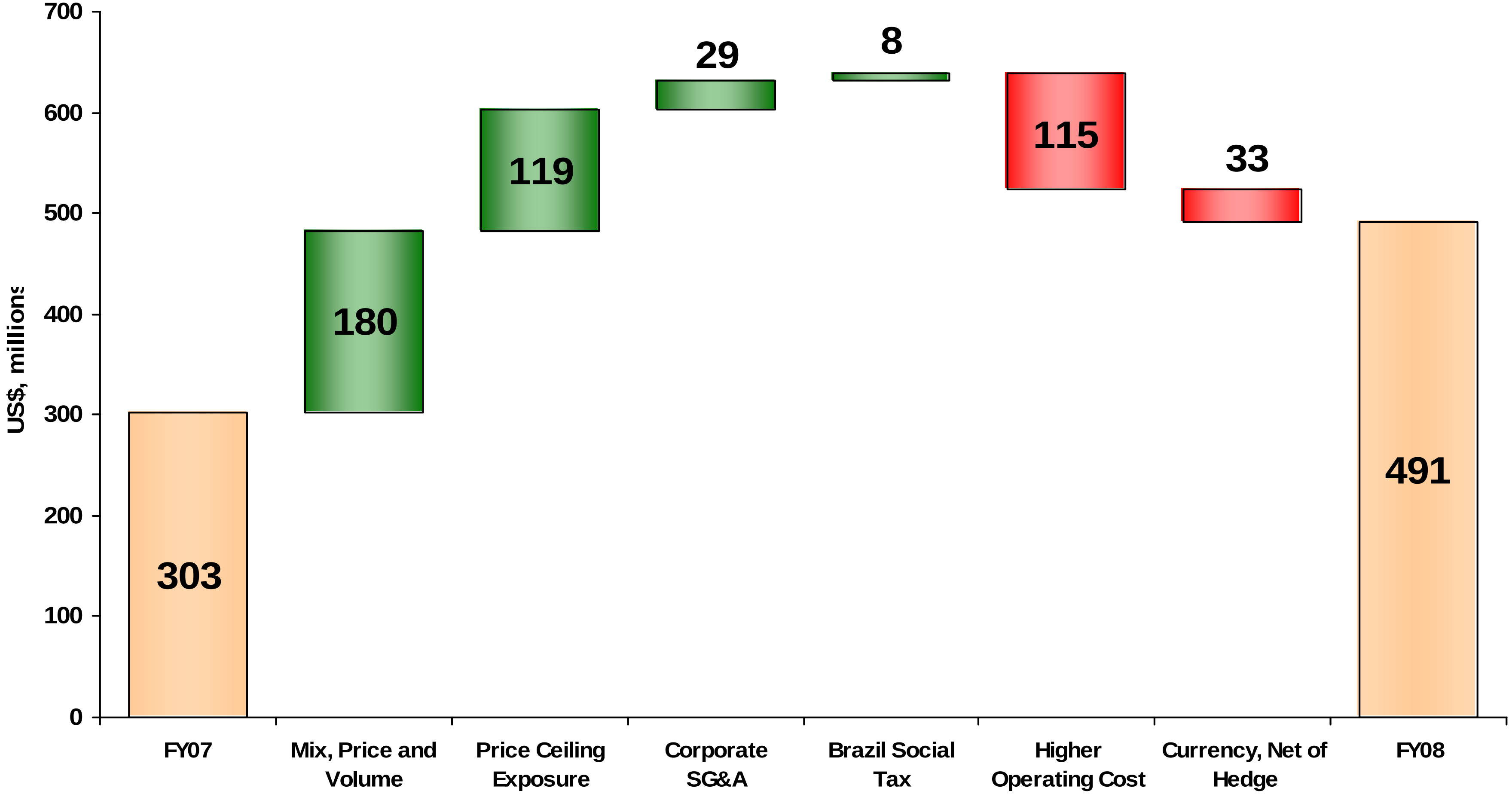
EBITDA = Earnings before interest, tax, depreciation and amortization

Normalized Operating EBITDA
FY07 vs FY08

	FY07	FY08
Operating EBITDA	**316**	**644**
Normalizations		
Metal Price Lag (Gain)/Loss	(43)	21
Purchase Accounting benefit	-	(219)
Stock Compensation expense	30	45
Normalized Operating EBITDA	**303**	**491**

Strong operational and market performance translating to significantly higher operating EBITDA

Normalized Operating EBITDA Bridge
FY07 vs FY08 ($ M)



Better Working Capital Management

Free Cash Flow Improvement $164M

Operating with lower metal volumes

– Inventory reduction by 25 KT year-over-year

Improved collection of Receivables

– DSO reduced by 6.5 days

More rigorous cash management ensuring adequate liquidity and lower interest costs year-over-year

Liquidity ($ M)

	Year Ended March 31	
	FY07	FY08
Cash and cash equivalents	$128	$326
Amount available under senior secured credit facilities	234	582
Total estimated liquidity	**$362**	**$908**

- **Facilities refinanced to provide for additional capacity**
- **Maintaining forfaiting and factoring arrangements in Asia and South America to provide for flexibility and liquidity**
- **Sufficient liquidity to provide for higher LME**

Credit Facilities

($M)	Prior	New	Current Market
Amount	Revolver – $500 Term Loan – $958	Revolver – $800 Term Loan – $960	Varies
Maturity	Revolver – 2.5 years Term Loan – 4.5 years	Revolver – 5 years Term Loan – 7 years	Varies
Rate	Revolver – L + 250 bps Term Loan – L + 225 bps	Revolver – L + 125 bps Term Loan – L + 200 bps	Revolver – L + 175 bps Term Loan – L + 350-400 bps
Covenants	Financial covenants	Revolver[1] and Term Loan No financial covenants	Revolver[2] – No financial covenants Term Loan – Financial covenants

[1] Springing Covenant - 10% and monthly reporting of Borrowing Base
[2] Springing Covenant - 15% and monthly reporting of Borrowing Base

Reconciliation from Operating EBITDA to Net Income (Loss)

	Year Ended March 31, 2007	Year Ended March 31, 2008	Variance
Operating EBITDA	**316**	**644**	**328**
Interest expense	(207)	(199)	8
Unrealized gain (loss) on derivativies	(150)	(2)	148
Depreciation and amortization	(233)	(395)	(161)
Proportional consolidation	(36)	(72)	(36)
Corporate S, G & A	(121)	(93)	28
Corporate Realized Derivatives	(37)	13	50
Tax	98	(7)	(105)
Other	106	42	(64)
Net Income (loss)	**(265)**	**(69)**	**196**

Tax Rate Reconciliation – FY 2008

	Q1	Q2	Q3	Q4	Combined
Pre-tax income / (loss)	(114)	(19)	(41)	119	(55)
	0	0	0	0	
Income taxes at statutory rate	(37)	(6)	(14)	38	(19)
Increase/(decrease) in valuation allowances:					
Canada	30	11	8	(37)	12
Europe	4	8	6	(23)	(5)
	34	19	14	(60)	7
Exchange translation items in Canada and Brazil:					
Canada	38	22	12	(23)	49
Brazil	5	5	2	1	13
Exchange remeasurement of deferred income taxes	6	4	18	2	30
Enacted tax rate changes	5	(74)	(32)	23	(78)
items with no tax effect	(20)	(10)	0	26	(4)
Tax Rate Differences on Foreign Earnings	4	(2)	0	(12)	(10)
Uncertain Tax Positions	2	9	3	3	17
Other	3	(3)	1	1	2
Provision for taxes on income	40	(36)	4	(1)	7

Gains (Losses) on Derivatives

	Q1	Q2	Q3	Q4	FY 2008
Gain (loss) on derivative instruments - net:					
Realized and included in Segment Income*	39	22	(28)	(1)	32
Realized on corporate derivative instruments*	5	29	2	(23)	13
Unrealized	(10)	(87)	(24)	118	(3)
Gain (loss) on derivative instruments - net	**34**	**(36)**	**(50)**	**94**	**42**

	Q1	Q2	Q3	Q4	FY 2007
Gain (loss) on derivative instruments - net:					
Realized and included in Segment Income*	78	61	56	33	228
Realized on corporate derivative instruments*	0	0	(35)	(2)	(37)
Unrealized	(37)	(98)	(16)	(1)	(152)
Gain (loss) on derivative instruments - net	**41**	**(37)**	**5**	**30**	**39**

* - For Segment Income purposes we only include the impact of the derivative gains or losses to the extent they are settled in cash (i.e., realized) during that period.

Summary

Very strong year for cash flow performance

Substantial operating improvements

Novelis Fusion global footprint

Solid progress on risk management

Improvements in pricing and portfolio

Reduction in price ceilings

Reduction in corporate costs

Brighter ideas with aluminium!

Thank you

Financials

Hindalco Standalone

Refinancing of Novelis Acquisition

Hindalco Consolidated

Highlights FY'08

- **Sales - We sold more and grew @ 10% (Copper) & 7% (Aluminium) by:**

❶ **Producing More (Highest ever production of Copper, Aluminium, FRP & Extrusion)**

  - **CC Rods ⇧28%, Cathodes ⇧ 12%**
  - **Hirakud ⇧ 35%, Renukoot ⇧ 3%**
  - **Taloja ⇧ 7%, Mouda ⇧ 24%, Extrusions ⇧ 13%, Wire Rods ⇧ 4%bv**

Highlights FY'08

❷ And Improving Realisations by

- **Enriching Product Mix –**
  - **CC Rods ⇧ 27%, Specials ⇧ 5% , FRP ⇧ 6%, Extrusion ⇧ 12%,**
- **Improving Market Mix**
  - **Copper Domestic Sales up 37 % .**
  - **Specials - Domestic Sales up from 49% to 52% of total sales**
  - **Extrusions – Domestic Sales up from 89% to 92% of total sales**
- **Realising Higher Mark-up & Premium**
  - **Premium on Copper Domestic sales ⇧ 10%**
  - **FRP Exports net mark-up ⇧ 7%**
  - **Extrusions Exports net mark- up ⇧ 28%**
- **Reducing gap between domestic ingot prices and import parity price from Rs 5209/ton to Rs 2194/ton**

Highlights FY'08

- **Efficiencies**
  - *Cost pressure off-set by plant efficiencies: Rs 225 Crs.*
  - *Aluminium*
    - **Hirakud Pre baked conversion ⇧ Power Efficiency**
    - **Energy efficiency improved to offset price escalation**
  - *Copper*
    - **Recovery improved by 1%**
    - **Power generation up by 10% (lower grid drawal & surplus exported)**
    - **Byproducts credits improved – Sulphuric acid & DAP subsidy**

Highlights FY'08

- **Free Cashflow**
  - *Cashflow from Operations Rs.2427Crs*
  - *Disposal of idle assets – Mouda conductor plant*
- **Treasury/Tax Management**
  - *Pre-tax treasury yield 10.7%*
  - *ETR down from 26.8% to 23.3%*

However all macro economic parameters turned adverse

Aluminium: LME, Re/$, Duty, Fuel, Coal, Carbon Prices
Copper: Re/$, Duty, Fuel & Tc/Rc

Drivers of Performance : FY08

Particulars	Unit	FY07	FY08	Change %
Re/US$	Rs	45.5	40.5	-11%
Al. LME	$/t	2664	2623	-2%
Effective Al. Customs duty	%	8.1	5.7	-30%
Domestic Ingot Realisation	Rs/t	125,400	111,098	-11%
Cu LME	$/t	6862	7521	10%
Copper TcRc	c/lb	34	24	-30%
Cu Duty differential	%	4.9	3.1	-35%

LME is a pass thru but adversely impacts working capital

All the key value drivers deteriorated against FY07.

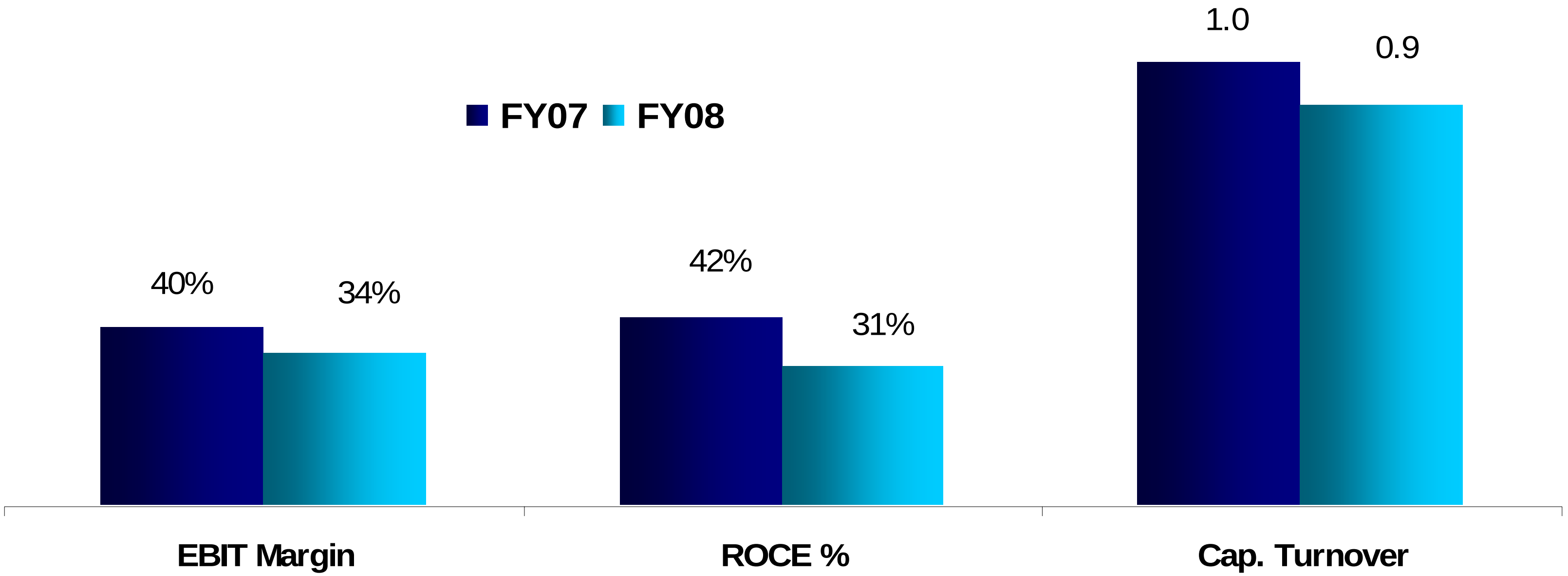
Timely brownfield expansions/acquisitions and better asset productivity helped contain EBIT fall.

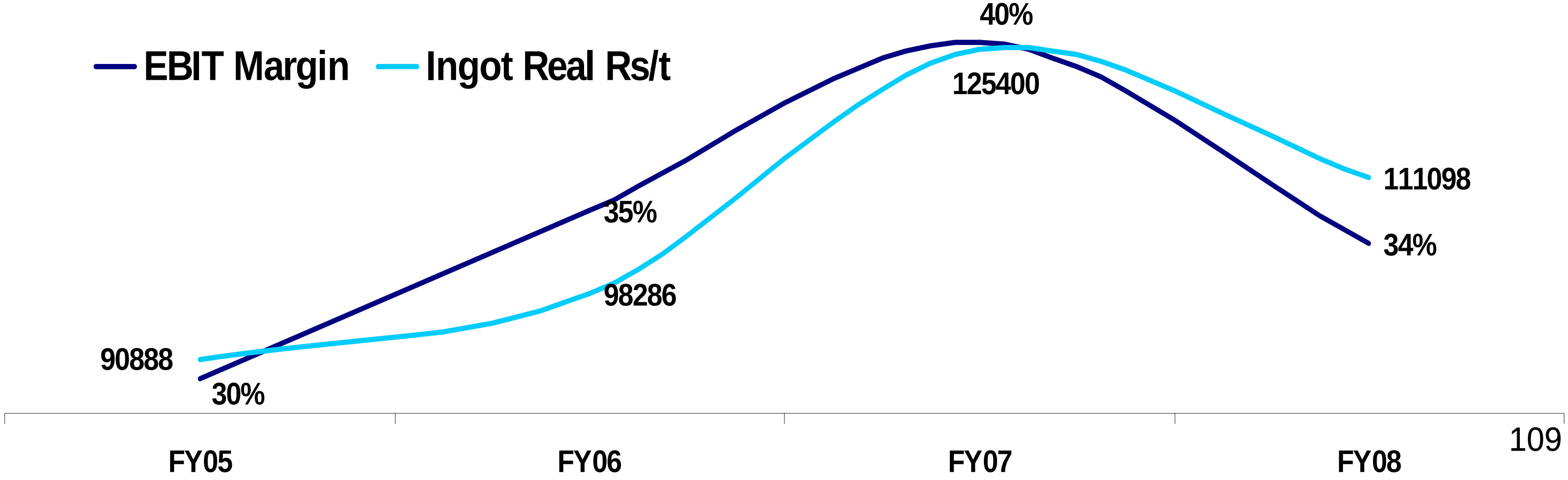
Stand Alone Financial Highlights -FY08

(Rs. Cr)

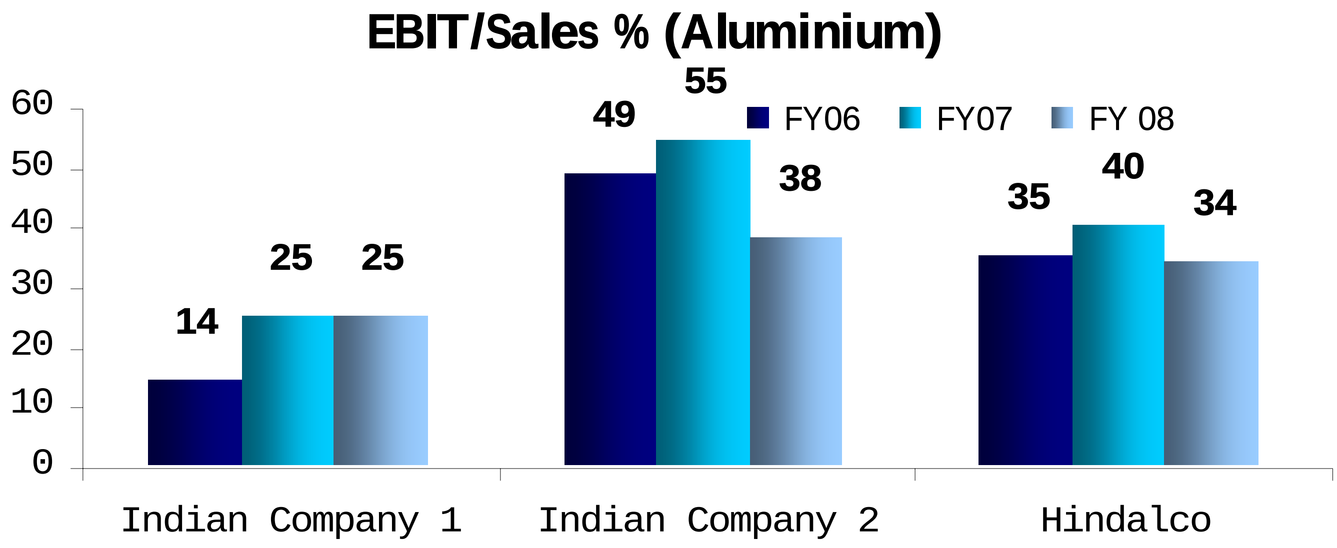
	FY07	FY08	Change (%)
Net Sales & Op. Revenue	18313	19201	5%
EBIDTA	4385	3894	-11%
EBIT	3747	3306	-12%
Pre-tax profits	3505	3026	-14%
Net Profit before tax write Back	2564	2320	-10%
Net Profit	2564	2861	12%
Basic EPS (Per Share)	25.52	24.51	-4%

Key Ratios: Aluminium Business

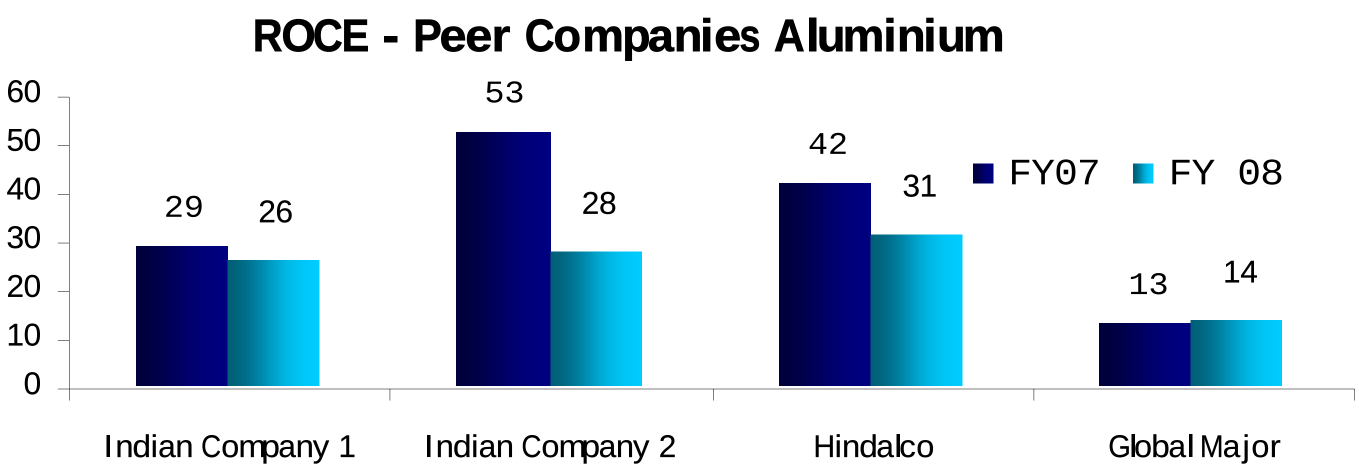




EBIT Trends and Peer Comparison



- ❖ Relatively less impacted by LME & INR volatility compared to pure play companies

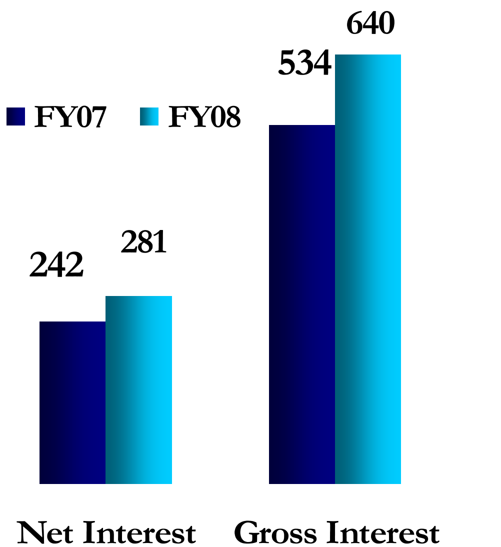


- ❖ HIL ROCE better than Peers

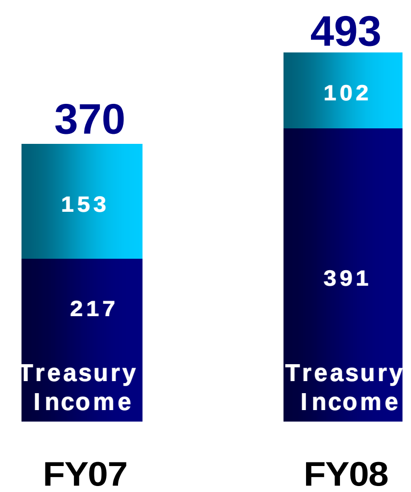
Strategic thrust to combine cost leadership & portfolio derisking

PAT Bridge

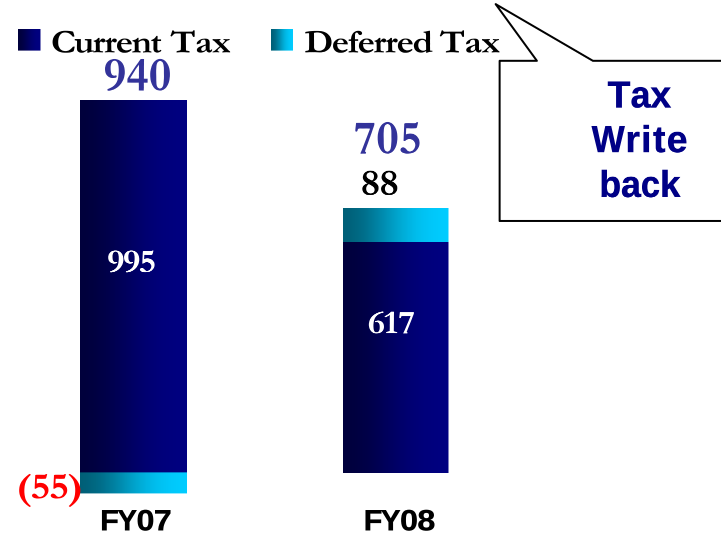
Rs.Crs	Segment		Company							
	Al EBIT	Cu EBIT	Interest	Other Income	Unallocable Expenses	PBT	Tax	PAT	Tax W/Back	Reported PAT
FY07	2929	517	(242)	370	(69)	3505	(940)	2564	0	2564
FY08	2423	503	(281)	493	(113)	3026	(705)	2320	541	2861
Change	(506)	(14)	(38)	123	(44)	(479)	235	(244)	541	297



Interest



Other Income



Tax

- Net and Gross interest higher due to higher average borrowings & higher average Interest rate
- Treasury income higher due to higher pre-tax treasury yield & higher average treasury
- Provision for Taxes lower due to lower PBT, lower ETR & higher capitalization

Stand Alone Financial Highlights -Q4 FY08

(Rs. Cr)

	Q4FY07	Q4 FY08	Change (%)
Net Sales & Op. Revenue	4749	5010	6%
EBIDTA	1173	941	-20%
PBIT	1016	789	-22%
Pre-tax profits	958	690	-28%
Net Profit before tax write Back	721	536	-26%
Net Profit	721	1077	49%
Basic EPS (Per Share)	7.32	8.78	19%

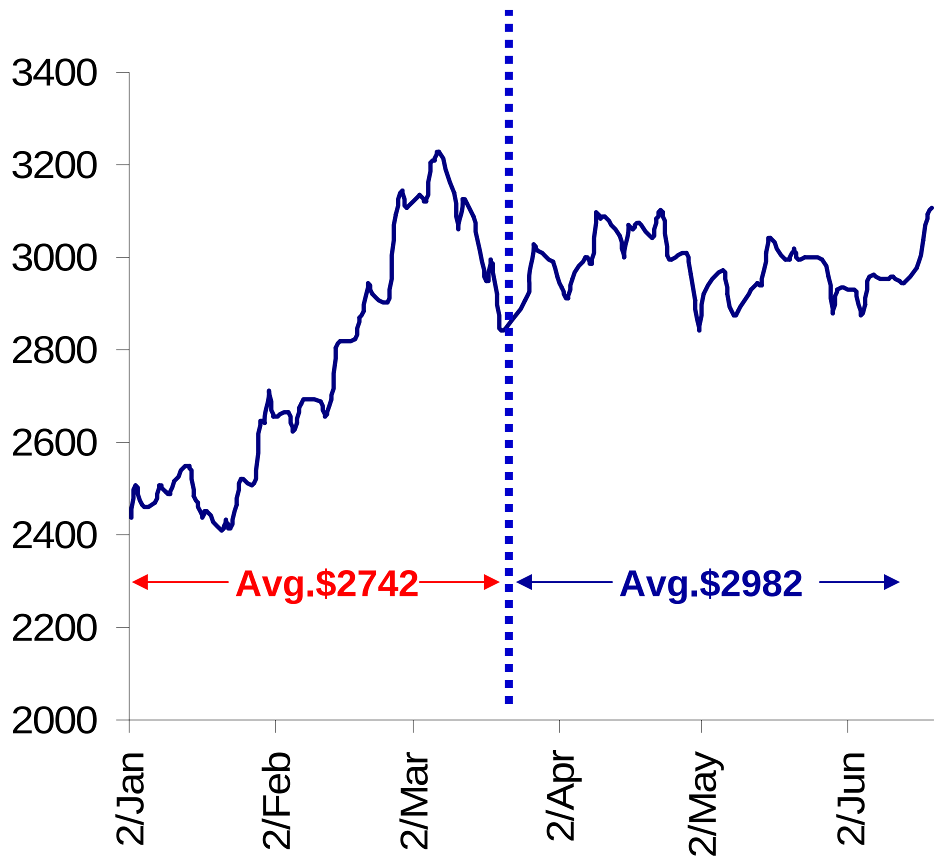
Drivers of Performance : Q4 FY08

Particulars	Unit	Q4FY07	Q4FY08	Change %	Impact Rs.Crs
Re/US$	Rs	44.4	40.1	-10%	189
Al. LME	$/t	2800	2742	-2%	88
Effective Al. Customs duty	%	8.1	5.7	-30%	36
Domestic Ingot Realisation	Rs/t	131,124	111,748	-15%	
Cu LME	$/t	5949	7684	29%	17
Copper TcRc	c/lb	33.8	19.4	-42%	89
Cu Duty differential	%	3.8	3.1	-17%	5

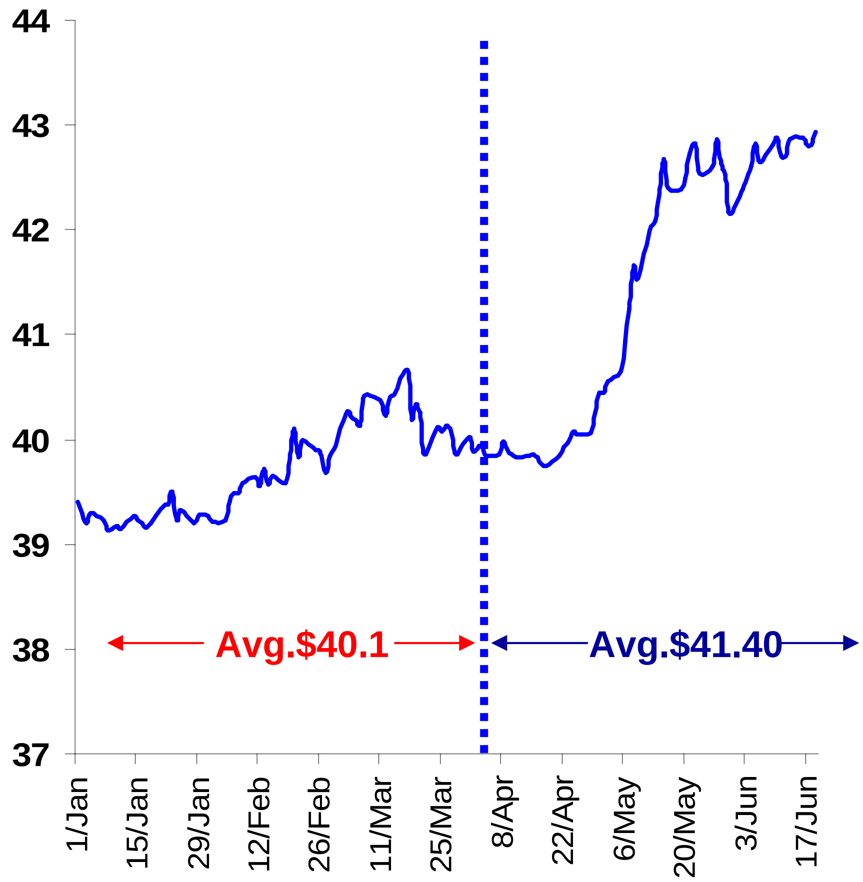
All the key value drivers deteriorated against FY07. Strong rupee, Lower LME, lower Tc/Rc affected the topline. This, coupled with higher input costs primarily on account of a sharp surge in crude, depressed margins

Positive trend going into Q1 of FY09

Aluminium LME

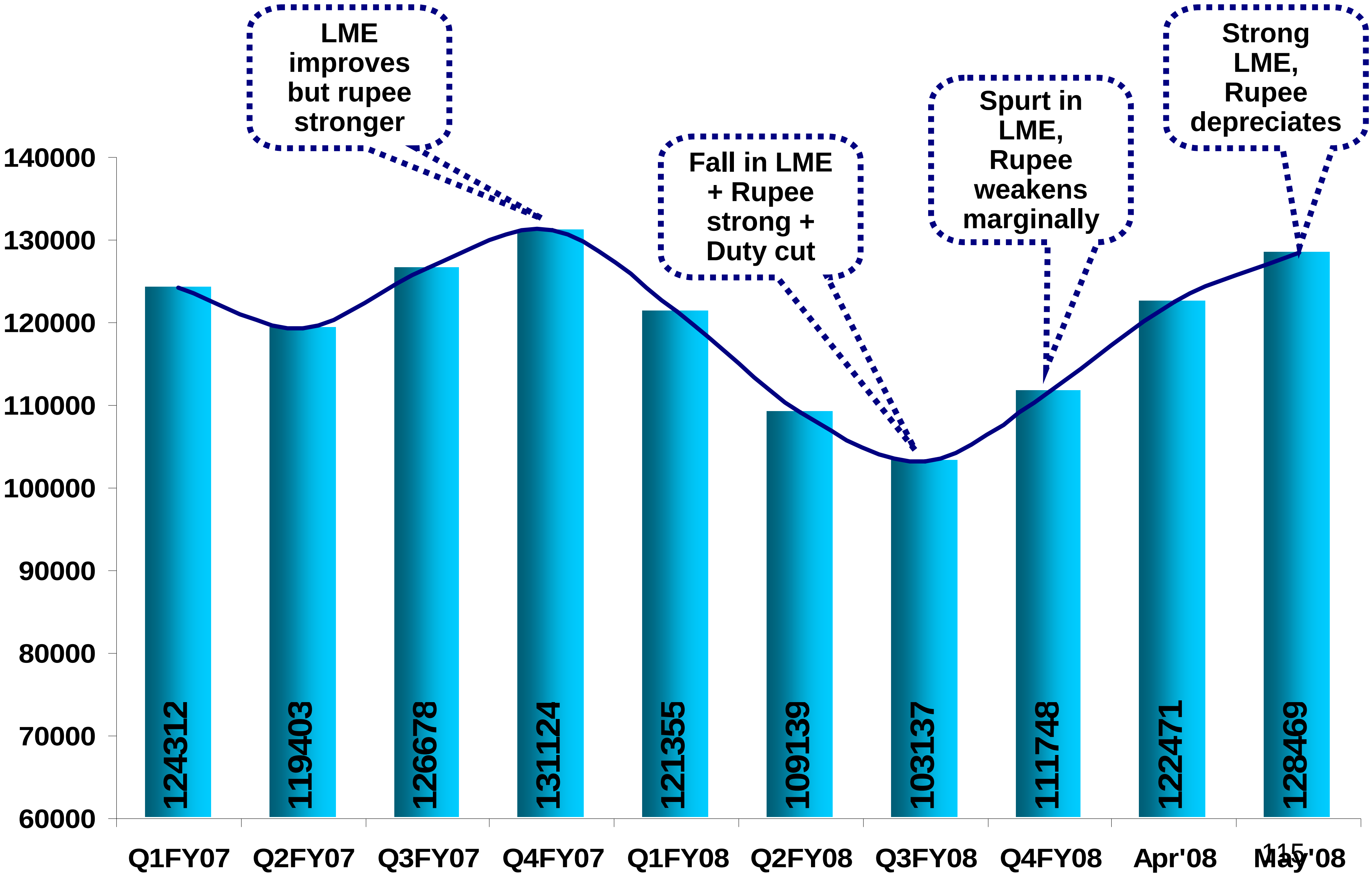


Rupee : USD

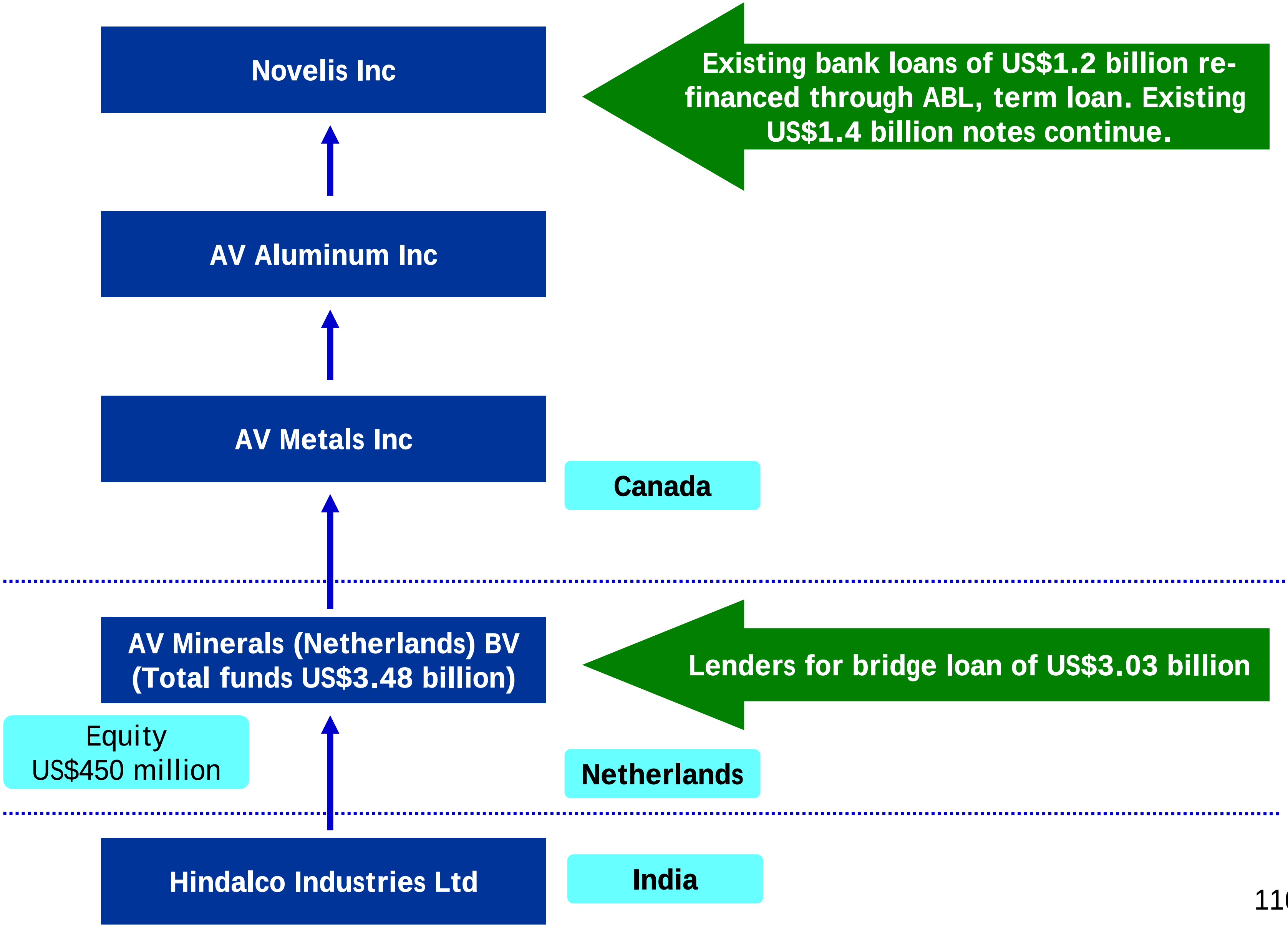


Leading to…….

Improving Domestic Ingot Realisations



Funding Structure for the Acquisition of Novelis



Take out Financing Plans - US$ 3.03 Bn Bridge Loan

- **Rights Issue Not Exceeding Rs 5000 Crs**
- **Balance**
  - *International loan or Bonds*
  - *Rupee loan or Bonds*
  - *Treasury*

Put in place Optimal Capital Structure to Preserve Balance Sheet Strength to Fund Value Accretive Projects

Consolidation: Dimensions & Schematic

Relationship	Relevant Account Standards (AS)	Number of Entities	
		FY 2006-07	FY 2007-08
Subsidiary	AS - 21	18	57
Associate	AS - 23	1	6
Joint Venture	AS - 27	2	2

Relationship	Holding/ Control	Methodology
Subsidiary	> 50%	Line by line Consolidation Minority Interest shown separately
Associate	> 20% $\leq$ 50%	Adjustment in carrying cost of investment
Joint Venture	Jointly Controlled Entities	Line by line Proportionate Consolidation

Consolidated Financials (Under Indian GAAP)

Rs Crores

	FY 2006-07			FY 2007-08			Increase/Decrease	
	Standalone	Consolidated	**Share of Stand Alone**	Standalone	Consolidated	**Share of Stand Alone**	Standalone	Consolidated
Net Sales	18,313	19,316	94.8%	19,201	60,013	32.0%	4.8%	210.7%
EBITDA	4,385	4,840	90.6%	3,894	7,291	53.4%	-11.2%	50.7%
EBIT	3,747	3,975	94.3%	3,306	4,835	68.4%	-11.8%	21.6%
Net Profit	2,564	2,686	95.5%	2,861	2,387	119.8%	11.6%	-11.1%
EPS (Rs.)	25.5	26.7		24.5	20.5		-3.9%	-23.5%
Net Worth	12,415	12,814		17,436	17,346		40.4%	35.4%

Quantum growth through Acquisition

Consolidated Balance Sheet

	Rs Crores		US$ Bn.	
Particulars	***31-Mar-07***	***31-Mar-08***	***31-Mar-07***	***31-Mar-08***
Application of Funds				
Fixed Assets and CWIP (net)	**10,824**	**25,454**	**2.48**	**6.37**
Goodwill	**159**	**8,833**	**0.04**	**2.21**
Other Intangibles	**170**	**3,817**	**0.04**	**0.95**
Investments	**7,874**	**13,892**	**1.81**	**3.48**
Net Current Assets	**4,257**	**4,271**	**0.98**	**1.07**
Total	**23,285**	**56,266**	**5.35**	**14.08**
Sources of Funds				
Share Capital	**104**	**262**	**0.02**	**0.07**
Reserves and Surplus	**12,710**	**17,084**	**2.92**	**4.27**
Net Worth	**12,814**	**17,346**	**2.94**	**4.34**
Loans	**8,443**	**32,352**	**1.94**	**8.09**
Minority Interest	**857**	**1,617**	**0.20**	**0.40**
Deferred Tax Liabilities	**1,171**	**4,951**	**0.27**	**1.24**
Total	**23,285**	**56,266**	**5.35**	**14.08**

Major Developments

During the Year:

- On May 15, 2007, the Company acquired Novelis Inc., Canada through its indirect wholly-owned subsidiary AV Metals Inc. (Acquisition Sub) pursuant to a plan of arrangement (Arrangement) entered into on February 10, 2007 and approved by the Ontario Superior Court of Justice on May 14, 2007.
- On October 5, 2007 the Company acquired shareholding of Alcan Inc. consisting of 78,564,384 equity shares of Rs 10/- each in Utkal Alumina International Limited (Utkal).
- Pursuant to a scheme of amalgamation, Indian Aluminium Company, Limited an existing subsidiary was amalgamated with the Company effective April 1, 2007.
- Two new subsidiaries Tubed Coal Company Limited (with Tata Power as the other JV partner) and East Coast Bauxite Mining Company Private Limited (with Orissa Mining Corporation as the other JV partner) have been formed.

Novelis : US GAAP and I GAAP Reconciliation

Reconciliation of Profit/(Loss) - Rs Crores					
Item	**Novelis**	**AV Aluminum**	**AV Metals**	**AV Minerals**	**Total**
Profit/Loss as per US GAAP (Full Year)	**(276)**	**(133)**	**(9)**	**(485)**	**(902)**
Less: Related to Predecessor Period	**(387)**				**(387)**
Profit/(Loss) as per US GAAP	**111**	**(133)**	**(9)**	**(485)**	**(515)**
(for Successor Period wef 16/05/07)					
Less Adjustment for GAAP differences					
(i) Deferred Financing cost	(107)		(5)	(13)	(125)
(ii) Actuarial loss of pension liabilities	(68)				(68)
(iii) Deferred Tax assets on above adjustments	30				30
Profit/(Loss) as per Indian GAAP	**(33)**	**(133)**	**(14)**	**(498)**	**(677)**

GAAP differences are only three

Total Loss of Rs. 644 Crores, mainly interest

Reconciliation of Net Sales

Rs Crores

	2006-07	2007-08
Net Sales of Hindalco Industries Limited (Standalone)	18,313.0	19,201.0
Impact of Subsidiaries:-		
Novelis Inc.	-	39,909.0
Aditya Birla Minerals Limited (Consolidated)	1,561.1	2,517.2
Bihar Caustic & Chemicals Limited	144.0	174.9
Dahej Harbour and Infrastructure Limited	56.1	54.8
Indian Aluminium Company, Limited	76.5	0.0
Minerals & Minerals Limited	1.3	0.3
	1,839.0	42,656.2
Less: Inter Company Sales	(1,220.4)	(2,426.9)
	618.6	40,229.3
Net Sales of Hindalco and its Subsidiaries	18,931.6	59,430.3
Impact of Joint Venture:		
Idea Cellular Limited (8.66% of total Sales of Rs. 6,723.5 crores)	384.5	582.5
Consolidated Net Sales	19,316.1	60,012.8

Reconciliation of Net Profit

Rs Crores

	2006-07	2007-08	2006-07	2007-08
Net Profit of Hindalco Industries Limited (Standalone)			2,564.3	2,860.9
Impact of Subsidiaries:	Total Profit		Our Share	
Dahej Harbour & Infrastructure Limited	37.5	42.8	37.5	42.8
Bihar Caustic & Chemicals Limited	33.6	56.7	20.2	34.8
Aditya Birla Minerals Limited (Consolidated)	30.2	408.4	27.4	228.7
Renuka Investment & Finance Limited	3.9	3.6	3.9	3.6
Renukeshwar Investment & Finance Limited	2.7	2.5	2.7	2.5
Novelis Inc. (Group)	-	(33.0)	-	(33.0)
AV Companies (SPVs)	-	(644.3)	-	(644.3)
Other Subsidiaries	(1.5)	1.0	(1.4)	1.0
Total of Subsidiaries	106.4	(162.3)	90.3	(363.9)
Less: Unrealised Profit in inter Company Inventory			(10.6)	(200.0)
Less: Others			(1.3)	(1.9)
Net Change due to Subsidiaries				(565.8)
Net Profit of Hindalco and its Subsidiaries			2,642.7	2,295.1
Impact of Joint Ventures & Associate:				
Joint Venture - Idea Cellular Limited	502.8	1,042.3	44.3	90.3
Associate - Aditya Birla Science & Technology Ltd.		3.9	(0.5)	1.9
Consolidated Net Profit			2,686.5	2,387.3

HINDALCO

ADITYA BIRLA GROUP

THANK YOU